

The 2004 Commission on Higher Education
Annual Report



table of

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|--|----|
| Rationale | 2 |
| Message - Chairperson Bro. Rolando Dizon, FSC, PhD | 3 |
| Background | 4 |
| The Vision | 5 |
| The Mission | 6 |
| CHED Organizational Structure | 7 |
| Memoranda | 8 |
| 2004 Accomplishments | 13 |
| Higher Education Indicators | 20 |
| Regional Highlights | 26 |
| Medium-Term Higher Education Development & Investment Plan | 30 |
| CHED Palaro | 44 |
| Higher Education Indicators | 46 |
| Higher Education Linkages | 48 |
| GAA Financial Report | 51 |
| Detailed Statement of Income and Expenses | 54 |
| Cash Flow | 57 |
| HEDF Brief Financial Information | 60 |
| CHED Officials | 63 |
| CHED Annual Report Committee | 65 |

contents

rationale

Ten years.

Ten years of growth: from what was merely a baby unit under the Office of the President, the Commission on Higher Education has evolved to become a dynamic, passionate organization working to provide young Filipinos the education they so highly deserve. Each phase handled professionally, each step measured and appreciated.

Ten years of integrity: in serving the Commission's various publics, the men and women of CHED offer consistent honesty, passion, and zeal. Each face genuinely concerned for the Filipino student, each emotion heartfelt and open.

Ten years of faces and phases, the CHED is unfazed in its delivery of quality and excellence, access and equity, relevance and responsiveness, and efficiency and effectiveness.

The journey continues.

message

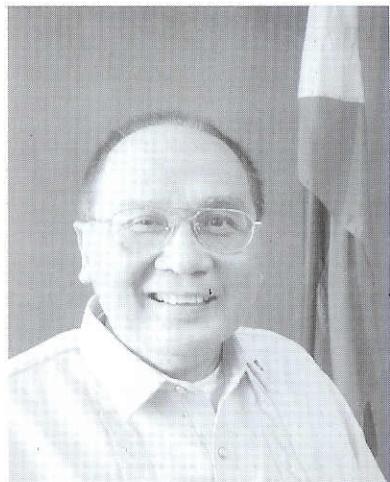
I wish to thank all my colleagues in CHED, the state universities and colleges (SUC's) and the private higher educational institutions (PHEIs) for the honor and privilege of serving them as CHED Chairman from May 2003 to October 2004. The period was rather short, but it was full of significant achievements of which I am proud.

With everyone's support and cooperation, we were able to strengthen our internal structures, efficiency and effectiveness. We set a tone of professional integrity and competence from top to bottom. We enhanced morale by introducing medical benefits and improving labor relations. We set in motion the construction of a CHED building in the U.P. Diliman campus, a national center for higher education.

Guided by a clear philosophy of balancing CHED's regulatory role with its developmental partnership policy, we made significant gains in our dealings with the SUC's and the PHEI's. We rationalized the SUC's financing, programming and regional networking. We gave impetus to serious research by giving better incentives. Even as we improved our regulatory standards with the help of our Quality Assessment Teams, we also encouraged Higher Education Institutions to explore alternative sources of funding for their infrastructure, research and faculty development needs. All throughout the country we improved quality and access to higher education for all, especially our poor but deserving students.

I pray that CHED continues to be faithful to its mission of providing quality and relevant higher education to Filipino youth, so that future generations of graduates will truly be globally competitive, morally upright and passionately committed to work for the common good. In a word, graduates who will truly be "maka-Dios, makatao at makabayan."

God bless CHED, God bless the Philippines.



rolando
dizon
fsc., ph.d.
Jan-Aug 04

The Commission on Higher Education (CHED) was established through Republic Act No. 7722, otherwise known as the Higher Education Act of 1994. This was signed into law by former President Fidel V. Ramos on 18 May 1994.

The creation of CHED was part of a broad agenda for reforms in the country's education system, outlined by the Congressional Commission on Education (EDCOM) in 1992. Part of the reform is the trifocalization of the education sector. The three governing bodies in the education sector are the Department of Education (DepEd) for basic and secondary education, the Technical Education and Skills Development Authority (TESDA) for technical-vocational and middle level education, and the Commission on Higher Education (CHED) for tertiary and graduate education.

To improve coordination and integration in the higher education system and to strengthen the policy formation process in the State Universities and Colleges (SUCs), Republic Act No. 8292 otherwise known as the "Higher Education Modernization Act of 1997" was signed into law. R.A. No. 8292 allows SUCs to initiate mergers and restructuring of SUC's structure and mandates. It is also meant to improve the internal governance of individual SUCs. This law similarly mandates the CHED Chairman to chair the Boards of the SUCs or delegate this task to the other four CHED Commissioners.

The CHED is attached to the Office of the President for administrative purposes. It covers both public and private post-secondary educational institutions.

background

the

The Higher Education System of the Philippines is envisioned to be a key player in the education and integral formation of professionally competent, service-oriented, principled, and productive citizens. Through its tri-fold function of teaching, research, and extension services, it becomes a prime mover of the nation's socio-economic growth and sustainable development.

vision

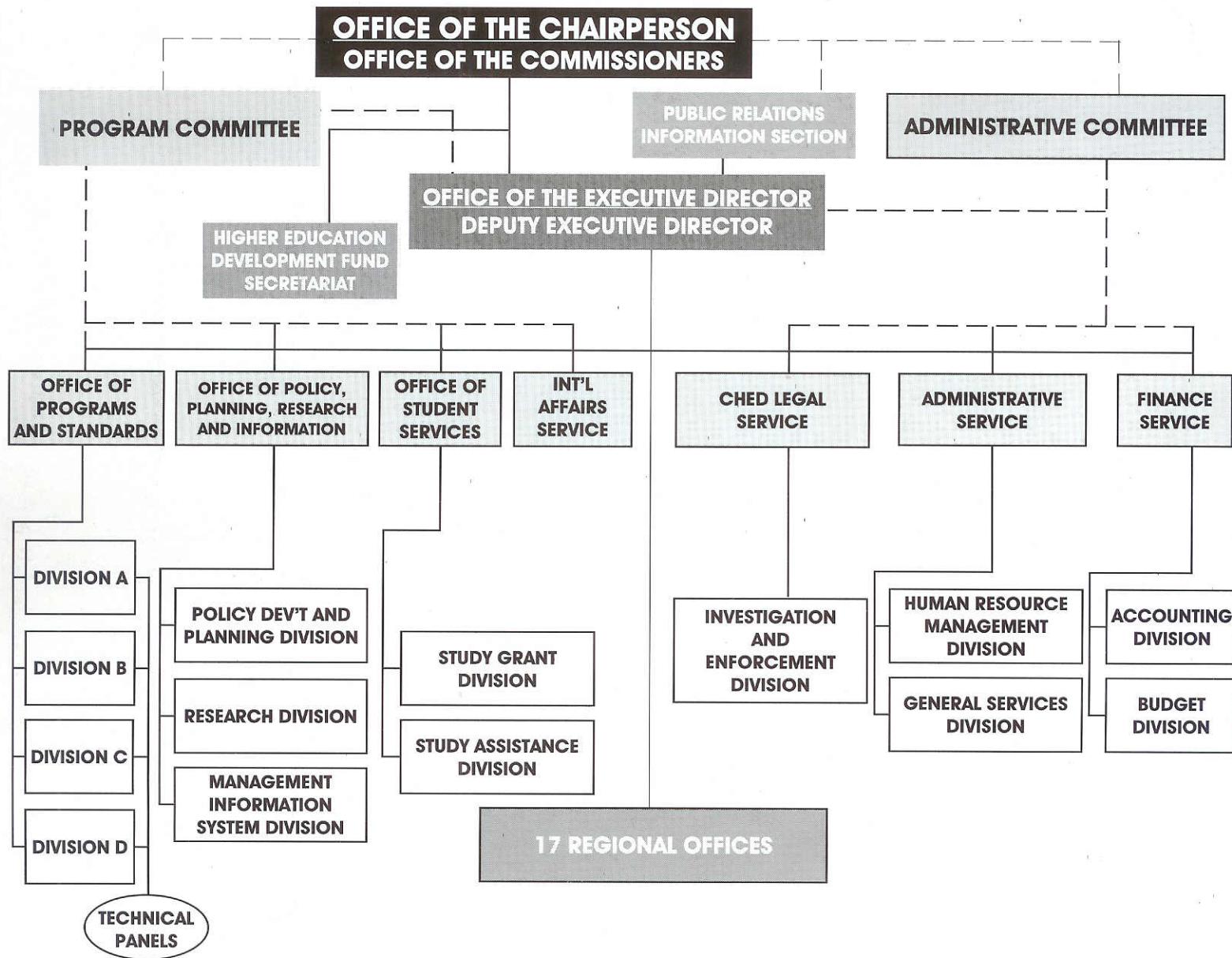
the

Guided by this vision and under the leadership of CHED, a dynamic and facilitative organization staffed by qualified and service-oriented personnel, HEIs that comprise the system shall:

1. Offer programs and services that meet the demands of an industrializing economy within the context of sustainable development and a culture of peace, as well as the challenges of a diverse and globalized society.
2. Nurture an academic environment that fosters integrated learning, creative and critical thinking, appreciation of cultural diversity and national identity, and inculcates moral values.
3. Conduct research to support instruction, create new knowledge, and enhance the quality of life in society.
4. Undertake extension programs and services that facilitate the transfer of technology, foster leadership and promote self-reliance among the less privileged in Philippine society.

mission

structure



memoranda

| DATE | NUMBER | TITLE |
|-----------|--------|--|
| 8-Jan-04 | 1 | Model United Nations Assembly (MUNA) |
| 30-Jan-04 | 2 | New Procedures in the Processing of Applications of Government Authority to operate Doctor of Medicine and |
| 29-Jan-04 | 3 | CHED National Games 2004 (CHED PALARO) |
| 26-Jan-04 | 4 | Guidelines for the Implementation of the Student Financial Assistance Program (STUFAP) Bachelor of Science in Nursing Programs |
| 5-Feb-04 | 5 | CHED Priority Courses for AY 2004-2005 |
| 27-Feb-04 | 6 | Conduct of the Southeast Asian Games 2005 from November 21, 2005 to November 30, 2005, and request of Mr. Celso L. Dayrit, Pres., Phil. Olympic Committee, regarding the possible suspension of classes on the said dates. |
| 4-Mar-04 | 7 | CHED National Palaro 2004 Primer |
| 4-Mar-04 | 8 | Education for all Week (EFA) 2004, 19-25 April 2004 |
| 22-Mar-04 | 9 | Attendance and Participation of SUC Officials and Employees |
| 26-Mar-04 | 10 | CHED National Palaro 2004 Primer |
| 2-Apr-04 | 11 | Deadline for Submission of Application for Permit Recognition for Bachelor of Science degree in Nursing and Doctor of Medicine Programs |

| DATE | NUMBER | TITLE |
|-------------|---------------|--|
| 6-Apr-04 | 12 & 13 | Asia Pacific Conference on Higher Education Research |
| 26-Apr-04 | 14 | CHED Overseas Study Development Programs (OSDP) |
| 30-Apr-04 | 15 | Guidelines on the Moratorium on the Opening of New Programs for Maritime Education |
| 30-Apr-04 | 16 | Extension of University Status to Our Lady of Fatima University Campus located at Fairview, Quezon City |
| 3-Jun-04 | 17 | Requirements for the Various Licensure Examinations |
| 18-Jun-04 | 18 | Second National Convention of the Metrobank Foundation Network of Outstanding Teachers and Educators (NOTED) |
| 21-Jun-04 | 19 | Proposed Guidelines for the Optometry Clinical Practicum/Externship Program |
| 14-Apr-04 | 20 | Revised Policies and Standards on the Centers of Excellent Project |
| 13-Jul-04 | 21 | Addendum to CMO No. 21, series 2003, Regarding the Grant of Autonomous and Deregulated Status to Selected HEIs (Second Batch) with Benefits Accuring Thereto |
| 16-Jul-04 | 22 | Implementing Rules and Regulations for the DND-CHED-PASUC Scholarship Program |
| 20-Jul-04 | 23 | List of Accredited Training Partners for the International Practicum Training Program (IPTP) |

| DATE | NUMBER | TITLE |
|-------------|---------------|---|
| 9-Aug-04 | 24 | Five Year Data/Information Collection on Research for the Research Management Information System (RMIS) from AY1999-2000 to 2003-2004 |
| 9-Aug-04 | 25 | Higher Education Data/Information Collection for AY 2004-2005 |
| 16-Aug-04 | 26 | Implementing Guidelines for the Iskolar ng Mahirap na Pamilya Program |
| 30-Aug-04 | 27 | Moratorium on the Opening of New Nursing Programs effective May 4, 2004 which shall cover all Public and Private Higher Education Institutions including those Granted Autonomous or Deregulated Status |
| 30-Aug-04 | 28 | Procedure on the Submission Processing and Evaluation of Compliance Documents of Higher Education Institutions (HEIs) Granted Provisional Permits to Operate the Bachelor of Science in Nursing Program for the 1st Semester, School Year 2004-2005 subject to Compliance with Certain Requirements by September 30, 2004 |
| 9-Sep-04 | 29 | Revised Implementing Guidelines for National Veterinary Admission Test (NVAT) |
| 13-Sep-04 | 30 | Revised Policies and Standards for Undergraduate Teacher Education Curriculum |
| 22-Sep-04 | 31 | Guidelines for the Optometry Clinical Practicum/ Externship Program |

| DATE | NUMBER | TITLE |
|-------------|---------------|---|
| 14-Oct-04 | 32 | Addendum to CHED Memorandum Order No. 13, series of 2003 re: Guidelines for CHED Visiting Research Fellowships |
| 20-Oct-04 | 33 | Guidelines for CHED Thesis Grant |
| 28-Oct-04 | 34 | Revised Guidelines for CHED Republica Awards |
| 5-Nov-04 | 35 | Implementing Guidelines of the Higher Education Development Project (HEDP), Faculty Development Program (FDP) |
| 29-Oct-04 | 36 | Additional Guidelines in the Issuance of Overseas Traineeship Certificates (OTC) for Undergraduates Students Participating in the International Practicum Training Program (IPTP) |
| 6-Dec-04 | 37 | Collegiate Calendar for Academic Year (AY) 2005-2006 |
| 15-Dec-04 | 38 | New Procedures and Guidelines in the Processing of Applications for Government Authority to Operate Undergraduate Programs in Higher Education Institutions |
| 21 -Dec-04 | 39 | Austerity Measures Pursuant to Administrative Order No. 103 Re: "Directing the Continued Adoption of Austerity Measures in the Government." |

phases

this is 2004

The higher education system has contributed directly to the government's poverty reduction program by helping improve access to and the overall quality of social services in the sector through provision of ample educational opportunities to bring about generation of productive workers and competent professionals.

At present, there are 1,539 higher education institutions or HEIs (not counting the 249 satellite campus) in the country. Of these, 175 (11%) are public HEIs comprised of 111 State Universities and Colleges (SUCs), one CHED-Supervised Institution (CSI), 46 Local Universities and Colleges (LUCs), 18 other government schools (supported by national government agencies)



faces

ginalyn

PESFA Scholar (Bachelor in Secondary Education)

CHED makes me a better, more responsible person. It aroused my interest in study and awakened my mind in terms of reporting, quizzes, and exams. It is also a great help for me in financial need. It helps me to gain more knowledge because I'm more interested in my studies.

I originally wasn't granted the scholarship, so my mother and I decided that I should stop schooling. I had lost hope. Still, I tried one more time and was accepted! I'm very thankful.

and five special HEIs.

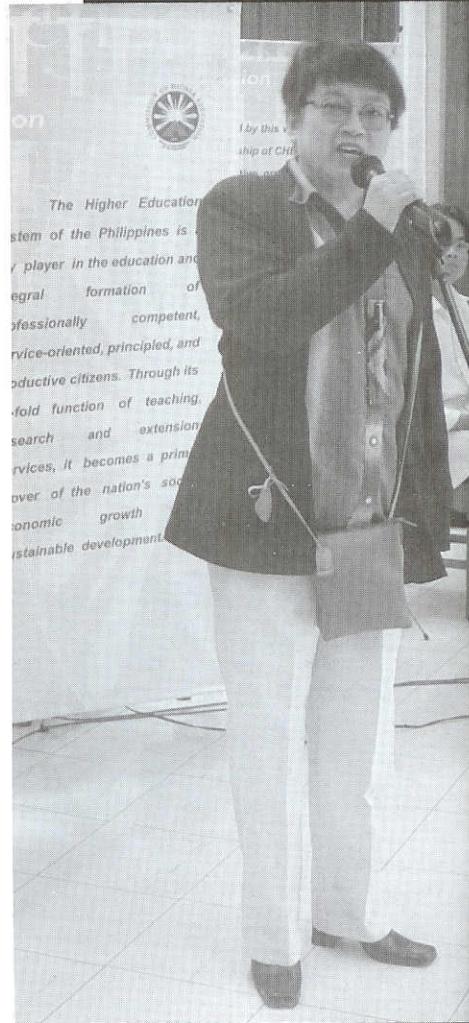
The private HEIs make up 89% of the higher education system with a total number of 1,364 institutions: 1,034 are non-sectarian and 330 are sectarian HEIs.

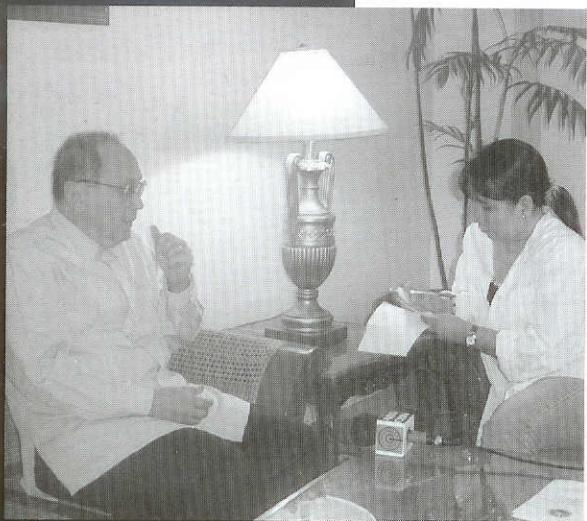
Higher education graduates in all disciplines increased by 11.6% from 2001 with 363,640, to 405,716

in 2004, and by 15% in the priority disciplines, namely: Sciences, Maritime, Medicine and Health-related, Engineering and Technology, Agriculture Engineering, Forestry and Veterinary Medicine and Teacher Education.

Some priority disciplines, particularly in the Sciences and Maritime Education have achieved improvements in the passing percentages in the professional board examinations (57% to 64% and 54% to 55% respectively), although the overall performance of higher education in terms of the average passing percentage across all the disciplines suffered a decline over the three-year period from 45.35% to 41.71%. The graduates of the public HEIs registered better performance in the professional board exams compared with the graduates of the privately owned HEIs (average of 40.9% for public HEIs as against the 38.8% for the private HEIs).

Higher education enrolment in SUCs increased by 1.7%, from 733,827 in 2001 to 746,269 in 2004. Overall, the SUCs served approximately 31% of the total number of higher education students in the country. The number of graduates produced by SUCs also increased from 106,083 in 2001 to 134,910 in 2004 for an increase of 12% for the plan period. In particular, the increase is evident in priority programs such as Teacher Education, Engineering





and Technology, Business and Agriculture.

CHED has been pursuing its four major goals pursuant to its mandates, namely: Quality and Excellence, Relevance and Responsiveness, Access and Equity, and Efficiency and Effectiveness.

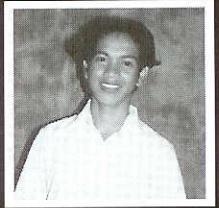
1. To promote Quality and Excellence, the CHED established and maintained 275 Centers of Excellence (COEs) and Centers of Development (CODs) in different disciplines lodged in 79 HEIs all over the country. These HEIs with proven excellence in teaching, research and extension were provided funding support for student scholarship, faculty development, library and laboratory upgrading, research and extension services, instructional materials and development and networking of existing COEs and CODs. Total allocation (as of June 2004) amounted to PhP24,699,999.99, bringing the total funding assistance to COEs and CODs to PhP696,079,33.32 from the Higher Education Development Fund (HEDF).
2. On Relevance and Responsiveness. As the Philippines is one of the major sources of international seafarers, CHED spearheaded the preparation and Implementation Compliance Contract (ICC)-approval of the Philippine Merchant Maritime Academy Upgrading Project with the German government's funding support (through the Kfw)

amounting to PhP585.12Million and local counterpart funds of P197.88Million for a total project cost of PhP783Million. The project will upgrade the overall capability of PMMA, the country's COE for maritime education, and facilitate the establishment of networking arrangements to improve selected private maritime schools in compliance with Standards on Training, Certification and Watchkeeping (SCTW) '95 requirements. The CHED has also worked to ensure that the 64 Maritime HEIs have complied with the International Maritime Organization (IMO) standards based on STCW. These HEIs are now found in the roster of the IMO "White List".

3. To address Access and Equity as well as gender and development issues, CHED has implemented various student scholarship and financial assistance programs which resulted in substantial increase in the number of recipients from both public and private HEIs from 44,868 in 2000 to 52,510 in 2003. Another pro-poor program of the Commission that has resulted in increased demand from the masses, especially from the labor sector, is the Expanded Tertiary Education Equivalency and Accreditation Program (ETEEAP), which provides for accreditation and equivalency of learning and competencies acquired outside the formal education system.

faces

rodrigo



PESFA Scholar (Bachelor in Social Work)

CHED affected me in such a positive way. When I wasn't a scholar, I didn't study and handle my schoolwork well. I took it very easy in studying, and didn't make projects. When I received the scholarship, my grades improved because I was motivated to study hard. I didn't want to lose the scholarship; people believed in me.

4. To improve Efficiency and Effectiveness, the Commission has fully implemented the CHED-Information System Plan (ISP) called CHEDLINK, a five-year plan that provides directions in data collection, processing and information dissemination using ICT supportive to the needs of the global economy. The CHEDLINK covers the installation of the CHED-wide LAN and development of the CHED-Information Systems (CHEDIS). Selected personnel from CHED Central Office, CHED Regional Offices and State Universities and Colleges (SUCs) have undergone training on database administration, MIS, network management and programming, among others, to complement the CHED-ISP implementation sponsored by the Philippine-Australia Short-Term Training.
5. On Quality Assurance System (QAS), the number of HEIs with accredited programs increased from 160 (11.35% of total HEIs) in 2001 to 193 (12.67% of total HEIs) in 2004. The Regional Quality Assurance Teams (RQATs) monitors the capability of HEIs applying for government permit and government recognition by conducting ocular site visits to HEIs as part of the quality assurance mechanism. The RQAT also reviews, monitors, and evaluates new, existing and recognized program offerings of HEIs.

**Consolidated Report of CHED Regional Offices
on the Issuance of Initial, Renewal Permits and Recognition.**

| Region | Initial Permit | Renewal | Recognition | Total Approved | Total Application Received |
|--------------|----------------|---------|-------------|----------------|----------------------------|
| I | 33 | 89 | 64 | 186 | 194 |
| II | 68 | 56 | 72 | 196 | 201 |
| III | 58 | 55 | 45 | 158 | 170 |
| IV-A | 80 | 132 | 106 | 318 | 365 |
| IV-B | 41 | 30 | 40 | 111 | 142 |
| V | 37 | 42 | 38 | 117 | 129 |
| VI | 36 | 52 | 23 | 111 | 145 |
| VII | 29 | 42 | 16 | 87 | 95 |
| VIII | 11 | 19 | 31 | 61 | 69 |
| IX | 38 | 56 | 42 | 136 | 141 |
| X | 26 | 34 | 29 | 89 | 129 |
| XI | 32 | 48 | 40 | 120 | 142 |
| XII | 28 | 36 | 38 | 102 | 117 |
| NCR | 99 | 82 | 67 | 248 | 409 |
| CAR | 34 | 38 | 31 | 103 | 110 |
| CARAGA | 36 | 42 | 40 | 118 | 128 |
| TOTAL | | | | 2261 | 2686 |

Application for Government Authority Received and Acted Upon
In the Year 2004
(Maritime, Nursing, and Graduate Programs)

| Number of Programs Applied | Approved |
|--|---|
| Permit 22 (Graduate Program) 45 (Maritime Program) | 8 (Graduate Program) 16 (Maritime Program) |
| Recognition 15 (Graduate Program) 7 (Maritime Program) | 10 (Graduate Program) 1 (Maritime Program) |
| Nursing (Permit and Recognition) 94 | 64 |
| CHEDRO 2261 | 2686 |
| GRAND TOTAL 2444 | 2785 |

Higher Education Indicators

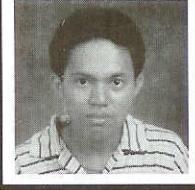
Faculty qualifications have improved in terms of percentage of collegiate faculty with master's degree, from 26% in 2001 to 30% in 2004. The number of faculty with doctoral degrees, likewise, increased from 7.5% to 9.21% in the same period.

Complementing the establishment of COEs/CODs are system-wide capability building efforts intended to broaden opportunities for higher education beyond the Philippines. These include: (a) linking with local and foreign educational institutions where CHED facilitated the international training of 43 faculty members from various local universities and colleges; (b) joining the University Mobility in Asia and the Pacific (UMAP) which opened new windows of opportunity to Filipino students to study in other Asia-Pacific countries; (c) issuance of CHED Memorandum Orders (CMOs) on the International Practicum Training Program, the Implementing Guidelines on Transnational Education in support of the ratification of UNESCO countries on Mutual Recognition of Degrees and Certificates.

As an indicator to determine if HEIs are electronically or technologically up-to-date, a survey in 2003 showed that 72% of HEIs have Internet connection, including 41% HEIs with websites, and more than

faces

r h o s e l o



SNPL Scholar (Bachelor in Psychology)

CHED gave me the chance to solve my financial problems for the payment of my education. CHED's role also gave me the time to realize the importance of maintaining grades in order to qualify for the scholarship. Finally, I saw that CHED stressed the importance of commitment to school, and helped me realize the importance of education in my life as a contributing citizen.

85% have computers for academic and operation purposes.

Research conferences on Higher Education were held in recognition of the outstanding research outputs in Higher Education such as the "*Republica Awards*" and the Asia-Pacific Conference on Higher Education Research (APCHER) which were held on May 19, 2004 and August 18-20, 2004, respectively.

Advocacy materials for the different programs were prepared, printed and disseminated to the CHED Central and Regional Offices and stakeholders during SUC conferences, workshops and consultations. Since the Medium Term Higher Education Development and Investment Plan (MTHEDIP) 2001-2004 implementation is on its final year, CHED, in collaboration with selected cooperators and stakeholders initiated an assessment of the overall implementation of the MTHEDIP and the formulation of the next MTHEDIP 2005-2010. The evaluation showed that most of the programs and projects were implemented. Addressing the major goals of CHED is the implementation of the Higher Education Development Program (HEDP).

The HEDP will implement the priority actions recommended by the Philippine Education Sector Study (PESS 1998) and the

"The evaluation showed that most of the programs and projects were implemented."

Presidential Commission on Educational Reform (PCER 2000) through a set of seven strategic interventions aimed at improving quality, efficiency and equity in higher education starting 2004

onwards for six years:

1. Rationalization of the Higher Education System;
2. Strengthening Higher Education Central Management;
3. HEI Management Development;
4. Strengthening HEDF;
5. Improving the Quality Assurance System;
6. Faculty Development; and
7. Enhancing Student Assistance Program.

faces

michelle



PESFA Scholar (Bachelor in Psychology)

CHED's giving me a chance to study helped me develop my knowledge and skill in whatever field of specialization I belong. I enrolled so easily, compared to others. What a blessing!

CROSS-CUTTING MEASURES

HEDP has a budget of PhP2B to be sourced from the accumulated released HEDF Funds. For year 2004, HEDP has an allotment of P157.8 Million. Complementing the HEDP is the Advisory Technical Assistance (ADTA) with a grant of US\$500,000 from the Asian Development Bank, intended to provide the CHED with organizational development, human resource development, normative finance, and quality assurance expertise.

Upgrading the Quality of Science, Math, and English Teachers

- Upgrading of teacher competence/instructional supervision in these subject areas in the mainstream schools shall be extended to the Madaris in the Autonomous Region of

Muslim Mindanao (ARMM) and in all other geographical areas with substantial Muslim communities.

- Pre- and In-service training of teachers, to include educational technology, shall be enhanced through a more comprehensive teacher education development program.

Laddered Interface Between Tech-Voc and College (CHED)

Responding to the deeply-rooted social bias of the Filipinos to the acquisition of diploma, post-basic education will be institutionalized and expanded to include the ladderization of TVET and higher education. This system will provide a number of higher education options to TVET students and learners. Together with the Expanded Tertiary Education Equivalency and Accreditation Program (ETEEAP), it will provide a flexible mechanism that allows individuals to continuously improve themselves (life-long learning) without being hampered to achieve

upward academic mobility.

The ladderized system will allow technical-vocational (tech-voc) graduates of technical-vocational institutes (TVIs) to pursue higher educational courses offered in colleges and universities, allowing credit for what they have already earned or completed in a tech-voc program. Even after one or two years of technical-



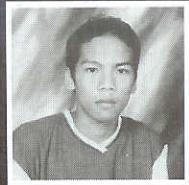
vocational education and training where graduates are armed with the necessary skills, knowledge, attitudes, and values needed to get into a job or establish their own business, they could pursue higher education if they so desire without having to start all over again as appropriate credits will be given. The ETEEAP, on the other hand, accredits or recognizes relevant experiences, prior learning and other knowledge, skills, attitudes, and values obtained from one's work experience, thus enhancing individual's upward career mobility.

The combination of ETEEAP and ladderized interface between tech-voc and college will be anchored on the proposed Philippine National Qualifications Framework (PNQF) which promotes two options of credentialing mobility. These are (1) access ramp – which prepares the qualifiers of tech-voc sectors to more effective approach and address the more academic requirements of formal education such as academic communication in English and Filipino, quantitative skills and other foundational learning skills; and (2) equivalency pathway – which strengthens and rationalizes the current systems of recognizing prior knowledge acquired in tech-voc learning experiences and actual practical work experiences.

Toward the institutionalization of the ladderized system, the following activities will be implemented

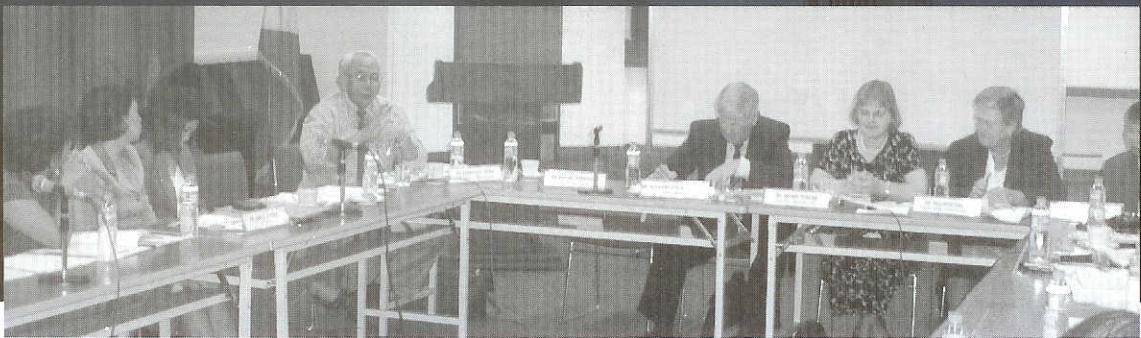
faces

Larry



SNPL Scholar (Bachelor in Social Work)

CCHED was helpful to me because, aside from supporting me financially, it was able to affect me by improving my knowledge and study skills, helping me gain more ideas, and changing the way I act and interact with others. When I availed of the scholarship program from CCHED, I was able to finish my studies and will definitely have a better, brighter future.



and continuously monitored by the ETEEAP Council established by Executive Order 330:

- Adopt the broad framework of the Philippine National Qualifications Framework;
- Determine/Define and finalize the appropriate qualifications and descriptors for both sectors;
- Develop curricular and evaluating systems (curriculum and program reforms);
- Possible policy revisions to support the proposed PNQF;
- Safeguard the integrity and reliability of the competency assessment and credentialing process; and
- Development and installation of student evaluation and testing system at every transition stage: from basic to voc-tech to higher education; from basic to higher education.



Regional Highlights

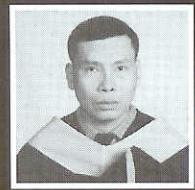
The Commission on Higher Education Regional Offices (CHEDROs) serve as extension offices and implementing arms of the Commission, ensuring that the four major thrusts of the Commission are achieved.

CHEDROs cater to the needs of higher education institutions in their respective regions. The primary functions of CHEDROs include: 1) Evaluation and processing of applications for government permit and recognition to offer tertiary programs; 2) Issuance of government permit and recognition to offer programs; 3) Monitoring and evaluation of programs, scholarship grants and financial assistance programs; 4) Implementation of CHED projects and programs as well as various issuances and Commission en banc decisions; 5) Identification and monitoring of Centers of Excellence and Development; and 6) Monitoring of increases in tuition and other school fees.

In 2004, the Regional Offices have initiated actions to further improve office operations; thus, enhancing their capability to serve their clienteles. Very notable are those that have been instituted by CHERO VII under the leadership and supervision of its Regional Director, Dr. Enrique P. Grecia.

faces

j a i m e



ETEEAP Scholar (Bachelor in Human Resource Development)

CHED's filled a void that had long been in me. It had given me not just a diploma, but also more self-confidence as well as a wider and brighter view of the future. Through ETEEAP I, I obtained my full-fledged promotion as an administrative manager and now I'm taking my Master's degree in Management for Executive Managers at my alma mater.

The launching of the Electronic Certification Authentication and Verification (eCAV), in partnership with the Cebu State College of Science and Technology (CSCST) was one of the projects that boosted CHEDRO operations. The eCAV, which was launched on February 2004, is in line with the Commission's thrust on efficiency and effectiveness. It provides graduates of higher education institutions a more convenient way to secure certification, authentication and verification of school records from CHEDRO VII considering graduates from outside Cebu City. Three (3) eCAV stations were established in the region: 1) Central Visayas State College of Agriculture, Forestry and Technology (CVSCAFT) – Tagbilaran; 2) Negros Oriental State University – Dumaguete City; and 3) CHEDRO VII Office.

Aside from the eCAV, CHEDRO VII has also designed its own website to facilitate easier access to CHED Central and Regional Office issuances and directives concerning HEIs, students, parents and the general public.

For easier access and retrieval of major information and statistics, several regional offices



faces

george

PBSFA Scholar (Bachelor in Psychology)

I realize the significance of being in school and having passed examinations and earning a degree..It makes me feel fortunate for I am one of the lucky ones, thanks to CHED. I made use of the time and CHED's scholarship program to engage in profitable and more productive activities instead of standing by and doing nothing. I'm grateful because now, I know I have a better future.

have also started creating electronic databases on graduates and Special Orders, to name a few. In addition, several CHEDROs have encouraged various HEIs, both public and private to subscribe to ISPs so they can establish linkages and network with other HEIs in the region to facilitate

faster and more effective communication systems.

The CHEDROs particularly Regions I, III, and CARAGA also initiated the issuance of regional publications in the form of statistical bulletins and official gazettes to enhance and promote the advocacy campaigns of the Commission. Through this endeavor, news, updates, issues and/or concerns relative to higher education are disseminated within the region.

In 2004, the Regional Offices were also actively involved in major undertakings of the Commission. Considering that said year was the CHED's 10th Year Anniversary, the CHEDROs in coordination with HEIs in their respective regions have conducted special activities to commemorate the "Higher Education Week" on May 17-21, 2004.

Another activity in which the CHEDROs played a significant role, is the conduct of the CHED Palaro 2004. The Palaro was a major undertaking of CHED in 2004. It had become a very special event for the organizers and participants as President Gloria Macapagal-Arroyo delivered her keynote speech before various government officials and student athletes.

CHED Palaro was held in Bacolod City on April 23-28, 2004. It was hosted by CHEDRO VI, through its Regional Director Dr. Joseph Delos Santos, and in cooperation with various

faces

angelo



PESFA Scholar (Bachelor in Social Work)

The scholarship program was a really big help, not only for me, but also my parents because instead of my parents' money going exclusively to my studies, we can use our money for other necessities in life.

I will never forget receiving my allowance for the entire semester. It's unbelievable and amazing that I don't have to pay examination fees and get an allowance? I'm so inspired to do better.



faces

m a i t a

PESFA Scholar (Bachelor in Secondary Education)

Without this grant, I wouldn't be able to go to college because of the lack of financial support. Taking this chance to pursue my dreams and go further in life really paid off. I remember working as a housemaid because I didn't know there was a program for people like me. When my landlord told me there was an opportunity to pursue my studies, I didn't hesitate, and now, I'm just overwhelmed with joy.

agencies and groups particularly the Philippines Sports Commission (PSC), Negros Occidental Private Schools Sports Cultural Educational Association (NOPSSCEA), State Colleges and Universities Athletic Association (SCUAA), and the Private Schools Athletic Association (PRISAA). The Palaro, which involved competitions on various sports events, vocal/ solo, and

dance sport, was participated in by HEIs from the 17 regions nationwide.

Prior to the event, all CHEDROs have coordinated and organized regional athletic meets to screen regional participants to the 2004 CHED Palaro. Each CHEDRO organized their own technical working groups (TWGs) tasked to prepare and implement mechanics for the selection of regional delegation.

The CHED Regional Offices shall continue to exercise their mandate to promote and ensure quality and accessible higher education in their respective areas. They will keep on implementing programs to improve its systems to better serve their clientele.

m t h e d i p

EXECUTIVE SUMMARY

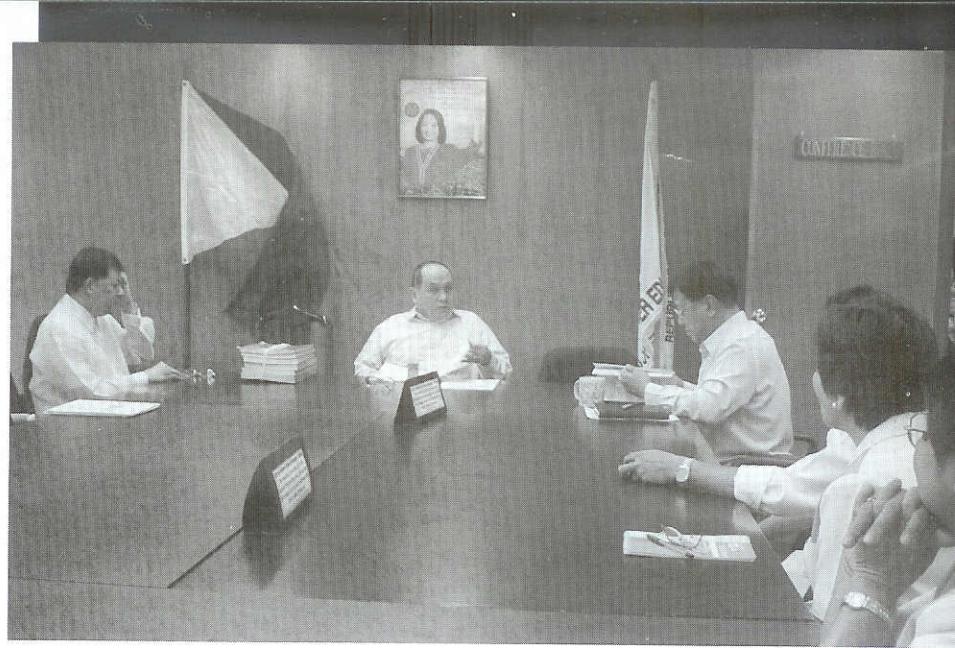
The Medium-Term Higher Education Development and Investment Plan 2001-2004 provides the policy framework and defines the programs that will enable the higher education sub-sector to fulfill its role in the development of the country's human resource in the context of globalization and the emerging knowledge-based economy.

DEVELOPMENT CHALLENGES

In response to global challenges and opportunities posed by rapid developments in information and communications technology, globalization and the emerging knowledge-based economy, the higher education system must address the following development issues and challenges:

- o Improving the quality and international comparability of programs and higher education institutions [faculty, facilities, standards, and accreditation];
- o Improving the quality of students entering the higher education system;
- o Improving the performance and employability of graduates;
- o Improving the responsiveness of higher education programs to labor market demands and national development needs, particularly on agricultural modernization;
- o Promoting utilization of ICT;

- o Improving the access and success in higher education for the deserving poor;
- o Rationalizing the higher education system;
- o Improving the policy and regulatory framework for higher education;
- o Strengthening the information collection and dissemination ; and
- o Enhancing the institutional capability of the HEIs and the Commission on Higher Education.



STRATEGIES

As an enabling strategy, measures and actions shall be geared towards institutional strengthening of the higher education system to enhance its capability to perform its role in national development and to respond to global challenges. Strengthening the capability of the system as a whole as well as its individual members – the Commission on Higher Education, and the private and public Higher Education Institutions – will facilitate the success of other strategies aimed specifically at the key impact areas.

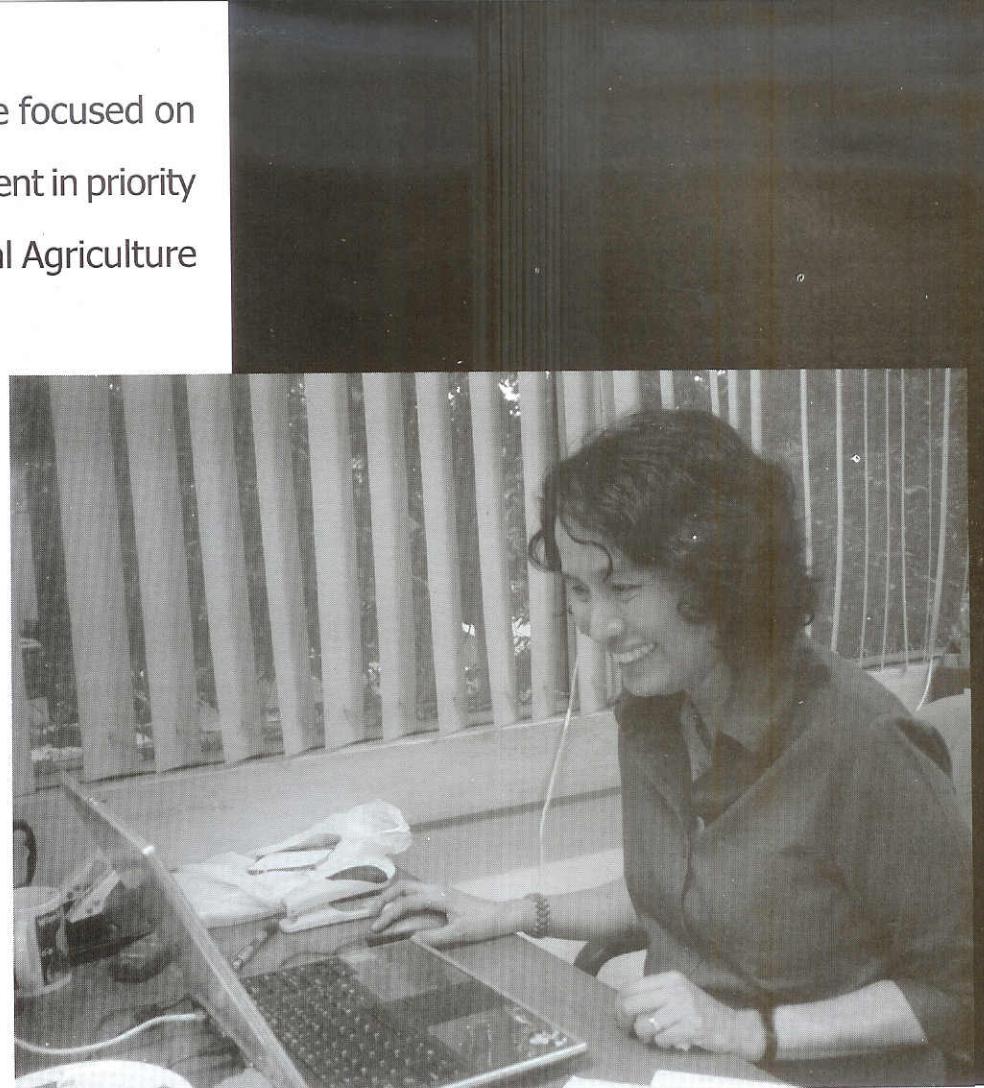
Capability-building efforts will be focused on the Centers of Excellence/Development in priority clusters and disciplines, the National Agriculture and Fisheries Education System, the CHED, and the Higher Education Development Fund. These will include facilities improvement, management capability development, faculty development, staff development, and improvement of systems and procedures.

For Promoting Quality and Excellence

- o Upgrading of HEI programs and standards towards global competitiveness
- o Providing a program of assistance to prepare students entering the higher education system

For Promoting Relevance and Responsiveness

- o Ensuring labor market responsiveness of higher education
- o Strengthening the research and extension functions of HEIs





For Broadening Access

- o Rationalizing and expanding student financial assistance
- o Expanding alternative modalities of higher learning

For Improving Efficiency and Effectiveness

- o Rationalizing SUCs programs and resource allocation
- o Strengthening the MIS and improving labor-market information

TARGETS

With the aforementioned strategies, the higher education system hopes to achieve the following targets:

- o Updated and regionally comparable standards in priority programs
- o Increased number of faculty with MA/MS
- o Increased number of accredited programs
- o Improved performance in licensure examinations in priority areas
- o Increased number of intakes and graduates in priority fields
- o Reduced dropout of lower income groups

- o Significant increase in the number of beneficiaries of scholarships and other forms of student financial assistance
- o Proportionate increase of total costs raised from non-public sources

ACTION AGENDA

In support of the initiatives of the Commission on Higher Education towards the successful implementation of higher education plans and programs, concurrent actions shall be undertaken by other concerned entities – the legislative and executive branches of government, the public and private HEIs, and professional organizations.

Legislative Actions

Efforts shall be directed at mobilizing the support of key policymakers and legislators to prioritize and enact enabling legislations specifically on the following:

- o Defining the typologies of Philippine higher education institutions
- o Modernizing the present resource allocation mechanism for SUCs through the adoption of the normative financing system
- o Cost-recovery [in cash or service repayment] of government expenditure for higher education from emigrating Filipino beneficiaries

faces

jayson



PESFA Scholar (Bachelor in Secondary Education)

CHED made me a changed man. Before, when I wasn't in school, I used to think that life was that easy. Now, with CHED's help, I'm a man, with a clear vision of the true essence of life.

Executive Actions

- o Improve information and data systems
- o Conduct strategic planning
- o Participate in ASEAN/APEC collective efforts to standardize professional competencies in the region
- o Establish a classification system for higher education institutions for financing and other purposes based on programs with corresponding levels of accountability
- o Require institutions, as a precondition for receiving government or external funding, to make available full and public disclosure of information about their organization, operations, and services
- o Develop and strengthen the incentive systems for high performing colleges and universities
- o Strengthen the institutional capabilities for research and development



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PESFA Scholar (Bachelor in Psychology)

CHED is very important because without this program, I would not be in school today. I'm very thankful for this scholarship because my parents cannot afford to send me to school. I remember when I received my first allowance: I was so happy because I needed money to buy things I needed for school, including school supplies. There's no feeling like it.

- o Increase the scholarship slots and tuition subsidies for students who pursue programs with high social rates of return or which generate positive externalities to society
- o Broaden the scope, upgrade the standards, and accelerate the integration into the higher education sub-sector of the system of recognition, accreditation,

and equivalency of prior learning and experiences as well as nontraditional learning modes

- o Establish mechanisms for cost recovery from beneficiaries of government subsidy including requiring them to repay in terms of services or equivalent monetary returns
- o Expand and strengthen linkages



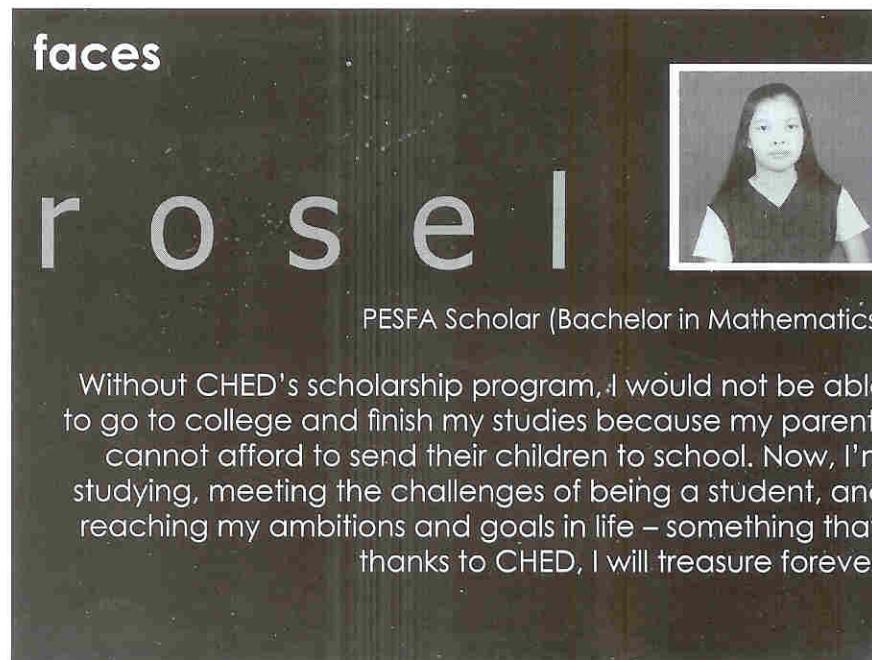
Sub-sector Actions

- o Revise the academic position classification, salary structures, and procedures for hiring, appointment, retention, and termination of staff
- o Use technology to improve operational efficiency and generate savings
- o Generate additional funds from the use of assets of state institutions
- o Develop and enforce a unified education standard for both public and private HEIs
- o Develop, institutionalize, and publish performance indicators of HEIs
- o Enforce strictly the requirement for faculty to have academic degrees or specializations higher than the levels at which they teach
- o Adopt and implement a career development program for faculty
- o Develop and establish a performance-based system for granting incentives to teachers
- o Publish quality graduate studies

- o Develop and establish a program of complementation and cooperation between the labor market and the education sector
- o Establish a cross-sector support system for the use of ICT, complementary resource development, and advocacy for the utilization and dissemination of ICT
- o Expand the scholarship grants and financial assistance programs for disadvantaged groups
- o Implement means-tested student loan program

Research Agenda

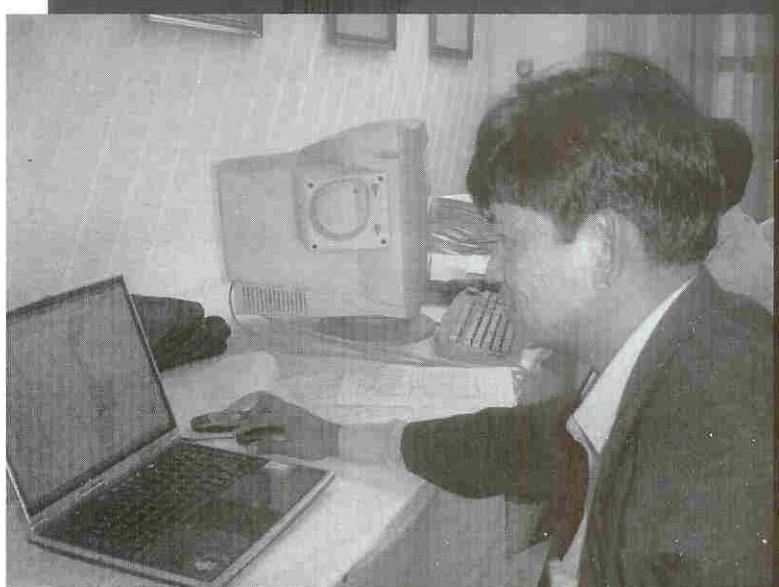
- o Rationalization studies
- o Benchmarking and comparative study of Policies, Standards, and Guidelines in priority disciplines in Asia, Europe, and the US
- o Establishment of quality indicators
- o Impact study on liberalizing entry of foreign universities/colleges via satellite campuses in the country
- o Evaluation of graduate programs in Teacher Education and Business Education
- o Demand-supply studies
- o Graduate tracer studies
- o Evaluation studies on the feasibility of full cost tuition and socialized tuition fee schemes



- o Equity impact study on the provision of government subsidy to SUCs
- o Study on the Madaris system towards possible integration into the higher education system
- o Development study on establishing national core competencies for ICT graduates and performance standards for ICT institutions as bases for national accreditation, validation, and certification
- o Impact study of ICT-driven curricula on student learning and academic performance
- o Evaluative study on the ICT readiness of college and university faculty
- o Study on impact of ICT professionals

PUBLIC INVESTMENT PROGRAM

The fiscal investment needed to jumpstart and sustain the reform measures in higher education is estimated at about PhP79.9Billion. This investment will cover the requirements of



the CHED to perform its mandates, the operations of SUCs, locally-funded programs/activities/projects, and foreign assisted projects.

The locally-funded PAPs address the development and globalization challenges in higher education. The foreign-assisted projects, to be funded under the Philippine Official Development Assistance Program for FY 2001-2004, are mostly for institutional capability strengthening and program enhancement.

Implementation

The MTHEDIP shall serve as a guide in implementing reforms and initiatives in the higher education system. Progress in its implementation shall be regularly assessed vis-à-vis planned programs, projects, and activities. The Plan itself shall be periodically reviewed. Where necessary, adjustments and amendments shall be accommodated to enable the Plan to adapt to and reflect recent developments in the operational environment and in the higher education system.

RESEARCH AGENDA

Research agenda had been set for the MTHEDIP, and studies conducted that aim to adhere to the four thrusts of the Commission. In 2004, several studies were either completed or achieved significant progress in their production.

Quality and Excellence

A model-building study for integrating state-funded colleges and universities was completed, while a study on the impact on

faces
ruby

PESFA Scholar (Bachelor in Secondary Education)

CHED helped me build confidence that in spite of all obstacles in life, I have what it takes to pursue higher education. For that, I will always be grateful to CHED.

the higher education subsector and the legal implications of liberalizing the entry of foreign universities/colleges in the country was on the verge of completion. A benchmarking and comparative study of policy, standards, and guidelines in priority disciplines in Asia, Europe and the United States, was also in the pipeline.

Access and Equity

A study on alternative assessments including accreditation and equivalency of certain proficiencies towards uniform standards among deputized HEIs is ongoing.

Effectiveness and Efficiency

A comprehensive review of regulatory function affecting the higher education sub-sector, both public and private is currently ongoing, while studies emerging and alternative forms of governance of HEIs, as well as the determinants of quality, efficiency, and effectiveness of HEIs and programs, are also being completed in 2004.

EXECUTIVE ACTIONS

The Commission sought to adopt and strictly implement policies and standards in ICT education and training, establish a mechanism to facilitate the acquisition by HEIs of computer hardware and software and other electronic learning resources, and participate in ASEAN collective efforts to standardize professional competencies.

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PESFA Scholar (Bachelor in Secondary Education)

Honestly speaking, CHED has affected me personally by way of giving me hope that I can pursue my studies in spite of all odds because of the program that extends to various students like me who certainly need financial assistance to support our needs while pursuing our studies. I'll never forget receiving the certificate that told me I was granted the scholarship. I felt lucky and blessed – I believe the chance was given to me to do my best and I know that God will help me always.

johnny

PESFA Scholar (Bachelor in Secondary Education)

Thanks to CHED, I'm more hardworking and into my studies. It gives me more motivation to finish my course, because of the help in my financial problems, studying my course will help me in a good way.

Relevance and Responsiveness

Efforts to develop and establish a program of completion and cooperation between the labor market and the education sub-sector in the areas of curriculum development, teaching, and research were stressed in 2004. The Commission conducted continuing reviews of curricular programs.

Access and Equity

The Commission worked towards broadening the scope, upgrading the standards, and accelerating the integration of the system of recognition, accreditation, and equivalency of prior learning and experiences as well as nontraditional learning modes into the higher education sub-sector.

Efficiency and Effectiveness

In 2004, actions were taken to improve the information and data systems for individual institutions and the higher education sub-sector while a study rationalizing the program offering of public HEIs to minimize the duplication and prevent the crowding out of private sector programs was completed.

Studies on introducing normative financing in the allocation of government subsidy to public higher education, conducting strategic planning exercises and comparative cost analysis,

including an evaluation of alternative approaches, to improve the delivery of higher education functions within and across institutions, and encouraging colleges and universities to identify and strengthen their educational niche and spin off auxiliary enterprises into autonomous business concerns that are expected to attain financial viability without the subsidy of the university, introducing incentives for cost-saving measures at the tertiary level, were all begun in 2004.

Better Financing and Governance

Studies that aimed to see the relevance of reducing the subsidies to students pursuing oversubscribed courses while increasing the scholarship slots and tuition subsidies for students who pursue programs that have high social rates of return or generate positive impact on society were in the pipeline for 2004.

Other studies that encourage income-generating activities in colleges and universities, formulate an incentive scheme for public HEIs that have shown potential or actual capacity to maximize the use of internally generated funds, and encourage governmental financial institutions to develop packages of soft loans and grants for private education were also highly encouraged.

SUB-SECTOR ACTIONS

Quality and Excellence

Studies that developed and enforced a unified set of education standards for public and private HEIs, and encourage a system of accreditation for programs and institutions that go beyond the required minimum standards were completed. Also completed were studies that developed, institutionalized, and published performance indicators for HEIs, such as success

mark anthony

PESFA Scholar (Bachelor in Secondary Education)

CHED motivated me to study hard so I could qualify for the scholarship. It makes us work harder and develops discipline.

Before I was a scholar, I was a working student – and was tired all the time. I'm very thankful for this scholarship because it became an opportunity to prove I could study hard and get high grades in all my subjects.

faculty retraining was set for completion in 2004.

Relevance and Responsiveness

Two studies were on the verge of completion in 2004: a study that develop and establish a program of complementation and cooperation between the labor market and the education sector in the areas of curriculum development, teaching, and research, and a study that conducted a continuing review of curricular programs.

rates of HEI graduates in professional board examinations, employment profile of graduates, accreditation status, and others, as well as studies that showed the viability of strictly enforcing the requirement for faculty to have an academic degree or specialization higher than the level at which the faculty teaches. Finally, a study on implementing a selective graduate scholarship program for

CHED Palaro

The CHED Palaro 2004 was one of the highlights of events organized by the Commission on Higher Education for the year. While pursuing much work and focus on academic enhancement of the higher education sector in the country, part of CHED's mandate is to "incorporate a holistic approach in tertiary education in the development of a total human being." With this task, CHED rides on the principle that a "tertiary education sports program shall be a vehicle for the inculcation of positive Filipino and universal values among students," thus, the CHED has revived the National Games or CHED Palaro in 2004.

The CHED Palaro 2004 held from April 23 to 28 in the Panaad Sports Complex and in various sporting facilities in Bacolod City was a success in terms of meeting its objectives. The revival of the sports festival had become an avenue to strengthen camaraderie and sportsmanship among students in the whole country thereby living up to its theme "Unity through sports for a Strong Republic." These were seen through the eager participation and intense competition among schools from 17 Regions. Mothballed the last three years due to funding constraints, the CHED Palaro returned to the local sporting scene through the initiative of CHED Chairman Bro. Rolando R. Dizon, FSC, an avid sports patron.

The event had captured how young Filipino athletes despite of dwindling budget on sports programs, can still exhibit competitive prowess, skills and personal discipline worthy of admiration and emulation by their fellow youth. They had also proven that Filipinos can truly compete in national and international arena.

The arrival of President Gloria Macapagal-Arroyo as guest of honor further boosted the young athletes' morale. Close to 3,500 athletes from the country's 17 regions competed in 10 sports-athletics, badminton, basketball, chess, dancesports, football, swimming, taekwondo and volleyball. A vocal solo competition was likewise included in the competition.

Objectives of the CHED Palaro

In consonance with the principle that the tertiary education sports program shall be a vehicle for the inculcation of positive Filipino and universal human values, the objectives of the CHED Palaro are the following:

1. To provide opportunities for tertiary level education officials to conceptualize, develop, organize and implement programs of sports which will complement the other components of the curriculum aimed at developing higher levels of skill, understanding, appreciation and knowledge, positive attitudes and values designed to develop the full potential of tertiary level students;
2. To provide opportunities for tertiary level sports coaches to identify, recruit, and train athletes based on scientific coaching principles and practices, and thus, promote their professional growth and self-realization while they are engaged in the education of athletically talented college youths;
3. To serve as a practical and laboratory experience for tertiary level school personnel to acquire and develop the competencies which will enable them to manage and officiate athletic games, tournaments and competitions and thus contribute to professionalizing sports officiating;
4. To provide opportunities for sports participation of tertiary level students of varying skills and talents, so that in the process of active participation, the "cream of the crop" will rise to the top and become the carriers of our national colors in international sports competitions;
5. To ensure the good things and the Olympic ideals inherent in the practice of sports and the reasons for which the CHED Palaro is staged every year, with great expense and effort, becomes a tradition and legacy to the capacity of men and women to do great things for the greater glory of God; and
6. To promote the spirit of sportsmanship, camaraderie, fair play, peace and respect for others in order to help build character and consequently people who will contribute to the making of a strong republic.

higher education

| INDICATOR | 1999-2000 Actual | 2000-2001 Actual | 2001-2002 Actual | 2002-2003 Actual | 2003-2004 Actual | | 2004-05 Target |
|---|---------------------|---------------------|---------------------|----------------------|---------------------|-----------|-------------------|
| Beneficiaries | | | | | | | |
| Total No. of Beneficiaries | 676,606 | 745,067 | | 731,604 | | 789,779 | 987,050 |
| Scholarships and Other Financial Assistance | 59,556 | 44,868 | | 38,310 | | 52,510 | 54,900 |
| Partial Subsidy through SUCs (enrollment) | 617,050 | 700,199 | 733,827 | 734,224 | | 746,269 | 932,150 |
| ETEEAP | | | | | | | |
| No. of Graduates | 13 | 39 | 270 | 720 | | 404 | |
| Accreditation | | | | | | | |
| No. of HEIs with Accredited Programs | 152 | 160 | | 202 | | 193 | 186 |
| % of HEIs with Accredited Programs | 11 | 11 | | 14 | | 13 | |
| No. of Accredited Programs by Level: | | | | | | | |
| Level I | 105 | 152 | | 189 | | 208 | 292 |
| Level II | 379 | 445 | | 580 | | 602 | 859 |
| Level III | 113 | 146 | | 154 | | 161 | 283 |
| Level IV | | | | 11 | | 11 | |
| Total | | 743 | | 934 | | 982 | 1,434 |
| Faculty Qualification | | | | | | | |
| % with MA/MS | 34 | 26 | | 30 | | 30 | |
| % with PhD | 8 | 8 | | 9 | | 9 | |
| Enrollment | | | | | Male | Female | Total |
| All Disciplines | 2,373,486 | 2,430,842 | 2,466,056 | 2,426,976 | 1,089,178 | 1,335,678 | 2,420,856 |
| Priority Disciplines | 1,398,543 | 1,440,286 | 1,466,781 | 1,426,976 | 712,857 | 814,076 | 1,526,933 |
| State Universities and Colleges | 617,050 | 700,199 | 733,827 | 734,224 | 318,653 | 423,455 | 742,108 |
| Graduates¹ | | | | | | | |
| All Disciplines | 350,807 | 363,640 | 383,839 | 408,092 | 163,419.00 | | 401,787 |
| Priority Disciplines | 200,710 | 209,265 | 222,092 | 236,125 ¹ | 102,339.00 | | 237,054 |
| State Universities and Colleges | 94,422 | 106,083 | 120,011 | 132,656 | 52,515.00 | | 132,483 |
| | | | | | | | 133,560 |

¹There is lag of one (1) Academic Year for graduates data in terms of data collection (e.g., Actual data for enrollment AY 2002-2003 for graduates AY 2001-2002).

No publication of FAAP Directory for AY 2001-2002.

PRC Percentage is the average percentage of all board examinations.

indicators

| INDICATOR | 1999-2000 Actual | 2000-2001 Actual | 2001-2002 Actual | 2002-2003 Actual | 2003-2004 Actual | 2004-05 Target |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|-------------------|
| Average Passing Percentage in Professional Board Examinations | 44.4 | 45.35 | 48.45 | 44.85 | 41.71 | 48.0 |
| <i>Philippine HEIs Performance</i> | | | | | | |
| Public | | 41.18 | | | 40.92 | |
| Private | | 35.39 | | | 38.82 | |
| <i>Priority Disciplines</i> | | | | | | |
| Sciences | 55.00 | 57.18 | 68.70 | 64.66 | 64.39 | 65.00 |
| Maritime | 44.00 | 49.60 | 71.60 | 74.70 | 62.50 | 64.00 |
| Medicine and Health-Related | 44.00 | 44.29 | 49.60 | 44.62 | 41.87 | 52.00 |
| Engineering and Technology | 46.20 | 48.05 | 49.20 | 44.00 | 42.80 | 46.00 |
| Agriculture, Agricultural Engineering, Forestry, Veterinary Medicine | 50.40 | 42.71 | 51.00 | 40.70 | 34.29 | 56.00 |
| Teacher Education | 33.99 | 35.73 | 34.30 | 35.92 | 26.27 | 40.00 |
| <i>Higher Education Institutions</i> | 1,404 | 1,380 | 1,428 | 1,489 | 1,539 | |
| With SUCs Satellite campuses | 1,563 | 1,603 | 1,665 | 1,735 | 1,788 | |
| Public | 232 | 166 | 170 | 173 | 175 | |
| State Universities and Colleges (SUCs) | 107 | 107 | 111 | 111 | 111 | |
| Local Universities and Colleges (LUCs) | 37 | 40 | 42 | 44 | 46 | |
| Others | 88 | 19 | 17 | 18 | 18 | |
| Private | 1,172 | 1,214 | 1,258 | 1,316 | 1,363 | |
| Sectarian | 306 | 312 | 320 | 325 | 330 | |
| Non-Sectarian | 866 | 902 | 938 | 991 | 1,033 | |

Linkages

| ORGANIZATION/ COUNTRY | NATURE OF LINKAGE | STATUS OF LINKAGE | REMARKS |
|--|--|---|--|
| National Office for Teaching Chinese as a Foreign Language (NOCFL) and the Commission on Higher Education (CHED) | <p>Training Program on the Teaching of Chinese as a Foreign Language. Faculty members of selected HEIs avail of the Training on Teaching Chinese as a Foreign Language.</p> <p>Initiated in 2002, the actual training started in 2003 per Memorandum of Agreement (MOA) between the National Office for Teaching Chinese as a Foreign Language (NOCFL) of China and the Commission on Higher Education (CHED).</p> <p>Conduct of Training is done in both RP and China. The program is an initiative of CHED in response to a presidential pronouncement to encourage Chinese language teaching in Philippine HEIs. The use of the language of business, is one approach to an improved economy.</p> | <p>On-going. Last batch of trainees is proposed for October 10- Nov. 10 scheduled in Xiamen, China. CMO for the purpose is referred to authorities.</p> | <p>CY 2006 is the last year of MOA implementation 43 participants have availed of the first 3 batches of trainees.</p> |

| ORGANIZATION/ COUNTRY | NATURE OF LINKAGE | STATUS OF LINKAGE | REMARKS |
|---|---|---|--|
| Ain Shams University, Cairo Egypt and CHED, Philippines | Executive Programme on Cultural Cooperation between the Government of the Arab Republic of Egypt and the Government of the Republic of the Philippines for 2004-2006. Academic cooperation in the form of faculty/student exchange in specific areas is deemed essential to strengthen relationship between people. The programme intends to enhance and sustain human and professional relations. | On-going. Reciprocal visit to selected law schools in NCR was recently conducted by 2 law professor from Ain Shams University. The professors showed interest in the curriculum and practices in teaching legal education in the Philippines. | Visit to Egypt made by the three CHED officials and 2 MSU Officials prove fruitful through the signing of 3 MOUs. |
| RP - Canada | Philippine Scholarship Awards for Canadian Students and the Government of Canada Awards (PSACS – GCA) PSACS – GCA is an opportunity to undertake graduate studies, post- graduate studies or post- doctoral research. Also, the scheme encourages cultural research and understanding. The Reciprocal Offer of Scholarships Between the Government of the Republic of the Philippines and the Government of Canada is for citizens who have high academic standing. | On-going. Two graduate students from the UST and Ateneo de Manila University have so far availed of this award. | One student from Canada to enroll at the Ateneo de Manila University this school year will be the first to avail of the PSACS to reciprocate the GCA. |

| ORGANIZATION/ COUNTRY | NATURE OF LINKAGE | STATUS OF LINKAGE | REMARKS |
|---|---|---|--|
| Republic of the Philippines – Kingdom of Saudi Arabia | MOU between the Commission on Higher Education and the Saudi Ministry of Higher Education for Academic and Technical Cooperation. The MOU envisions to enhance existing relations of friendship and boost level of cooperation between the two countries in the academic and educational fields, and in recognition of the principles of equality and mutual benefit. | Due to have been signed in July 9 – 10, 2005 during the 2 nd Joint Commission Meeting in Jeddah, KSA. | Delayed signing as requested by the other party. |
| Government of the Philippines – Government of Japan | Japan-Philippine Economic Partnership Agreement (JPEPA)A bilateral agreement which fosters economic cooperation in accord with the World Trade Organization and General Agreement on Trade and Services (WTO-GATS)Education is one social service sector which is essential in the development and utilization of human resources. The Agreement will soon enhance cross border employment and further academic mobility between the Philippines and Japan. | On-going. The series of bilateral negotiations for three years both in RP and in Japan will soon end and will enable qualified Filipinos to be part of the global workforce. | The legitimacy of Filipinos working in Japan and of Japanese establishing businesses/economic ventures and staying in the Philippines are crucial to this Agreement. |

GAA Financial Report

COMMISSION ON HIGHER EDUCATION

Detailed Balance Sheet

GAA Funds

Comparative 2003 & 2004

ASSETS

| | 2004 | 2003 | INCREASE (DECREASE) |
|---------------------------------------|-----------------------|-----------------------|------------------------|
| Current Assets | | | |
| Cash | | | |
| Cash-Collecting Officer | 7,105.91 | 252,944.48 | (245,838.57) |
| Cash - Disbursing Officer | 1,491,911.98 | 1,589,734.66 | (97,822.68) |
| Petty Cash Fund | 102,150.70 | 56,992.54 | 45,158.16 |
| Cash National Treasury - MDS | 2,767,569.24 | 5,640,153.37 | (2,872,584.13) |
| Cash in Bank-LCSA | 119,876,744.08 | 14,383,906.62 | 105,492,837.46 |
| Cash in Bank - LCCA | - | 145,480,944.60 | (145,480,944.60) |
| | 124,245,481.91 | 167,404,676.27 | (43,159,194.36) |
| Receivables | | | |
| Accounts Receivables | | 500.14 | (500.14) |
| Loans Receivables | 24,975,722.75 | 25,549,630.75 | (573,908.00) |
| Due from Officers & Employees | 4,414,509.07 | 1,459,675.93 | 2,954,833.14 |
| Due from National Treasury | 34,097,642.00 | 46,149,814.45 | (12,052,172.45) |
| Due from NGAS | 93,574,635.98 | 100,709,026.55 | (7,134,390.57) |
| Due from GOCCs | 2,410,252.47 | 1,000,000.00 | 1,410,252.47 |
| Due from NGOs/POs | 82,851,698.24 | 89,002,717.09 | (6,151,018.85) |
| Due from Central Office | | 6,890,781.51 | (6,890,781.51) |
| Due from Regional Offices | | 19,799.91 | (19,799.91) |
| Other Receivables | 36,225,814.07 | 1,183,881.71 | 35,041,932.36 |
| Disallowances/Charges | 3,567,817.81 | 2,246,293.82 | 1,321,523.99 |
| Total Receivables | 282,118,092.39 | 274,212,121.86 | 7,905,970.53 |
| Less: Allowance for Doubtful Accounts | 990,923.38 | 11,585.30 | 979,338.08 |
| Net Receivables | 281,127,169.01 | 274,200,536.56 | 6,926,632.45 |
| Inventories | | | |
| Office Supplies Inventory | 1,083,469.31 | 5,573,523.75 | (4,490,054.44) |
| Accountable Forms Inventory | 27,370.50 | | 27,370.50 |
| Gasoline, Oil & Lubricants | 7,202.80 | 12,282.10 | (5,079.30) |
| Spare Parts Inventory | 650.00 | 650.00 | -- -- -- |
| Other Supplies Inventory Items | 56,146.50 | 6,111.00 | 50,035.50 |
| | 1,174,839.11 | 5,592,566.85 | (4,417,727.74) |

| | | | |
|---|-----------------------|-----------------------|------------------------|
| Prepaid Expenses | | | |
| Prepaid Rent | 2,403,906.00 | 2,127,610.00 | 276,296.00 |
| Prepaid Insurance | 6,549.70 | 6,650.29 | (100.59) |
| Other Prepaid Expenses | <u>2,802,739.49</u> | <u>2,823,416.28</u> | <u>(20,676.79)</u> |
| | <u>5,213,195.19</u> | <u>4,957,676.57</u> | <u>255,518.62</u> |
| Other Current Assets | | | |
| Guaranty Deposits | <u>226,199.00</u> | <u>226,199.00</u> | - |
| Total Current Assets | 411,986,884.22 | 452,381,655.25 | (40,394,771.03) |
| Investments | | | |
| Other Investments & Marketable Securities | 98,058,022.06 | 97,738,322.59 | 319,699.47 |
| Property, Plant Equipment | | | |
| Land | 100,000.00 | 100,000.00 | - |
| Land Improvements | 100,000.00 | 100,000.00 | - |
| Office Buildings | 6,654,230.95 | 6,654,230.95 | - |
| Building In Progress | 199,260.00 | | 199,260.00 |
| Other Leasehold Improvements | 6,999.00 | 6,999.00 | - |
| Leasehold Improvements | 1,499,999.57 | 1,499,999.57 | - |
| Office Equipment | 9,592,138.05 | 8,724,173.26 | 867,964.79 |
| Furnitures & Fixtures | 10,297,764.81 | 8,399,964.81 | 1,897,800.00 |
| IT Equipment & Software | 8,146,897.14 | 8,286,972.87 | (140,075.73) |
| Library Books | 175,330.50 | 167,669.00 | 7,661.50 |
| Firefighting Equipment & Accessories | 30,062.00 | 28,962.00 | 1,100.00 |
| Medical, Dental & Lab Equipment | 11,700.00 | 6,300.00 | 5,400.00 |
| Communication Equipment | 1,085,468.57 | 1,065,502.85 | 19,965.72 |
| Sports Equipment | 30,405.00 | - | 30,405.00 |
| Other Machineries & Equipment | 347,669.88 | 767,937.35 | (420,267.47) |
| Motor Vehicle | 11,261,305.00 | 10,601,290.00 | 660,015.00 |
| Other Property, Plant Equipment | 3,270,669.02 | 2,938,033.55 | 332,665.47 |
| Total Property, Plant Equipment | <u>52,809,899.49</u> | <u>49,348,005.21</u> | <u>3,461,894.28</u> |
| Less: Accumulated Depreciation | <u>22,138,689.88</u> | <u>16,633,036.44</u> | <u>5,505,653.44</u> |
| Net Property, Plant & Equipment | 30,671,209.61 | 32,714,968.77 | (2,043,759.16) |
| Other Assets | | | |
| Item in Transit | 43,500.00 | 5,845.00 | 37,655.00 |
| TOTAL ASSETS | 540,759,615.89 | 582,840,791.61 | (42,081,175.72) |

LIABILITIES AND EQUITY

Liabilities

Current Liabilities

| | | | |
|--|-----------------------|-----------------------|------------------------|
| Accounts Payable | 142,889,970.89 | 211,269,990.95 | (68,380,020.06) |
| Due to Officers and Employees | 33,874.14 | 258,455.76 | (224,581.62) |
| Due to National Treasury | 5,939,212.83 | 11,527,123.44 | (5,587,910.61) |
| Due to BIR | 426,138.90 | 1,211,715.85 | (785,576.95) |
| Due to GSIS | 877,626.74 | (822,328.66) | 1,699,955.40) |
| Due to Pagibig | 275,630.84 | 106,302.20 | 169,328.64 |
| Due to Philhealth | 39,063.32 | (6,338.00) | 45,401.32 |
| Due to NGAs | 315,493.28 | 410,025.44 | (94,532.16) |
| Due to GOCCs | 1,168,328.10 | 40,544.46 | 1,127,783.64 |
| Due to Central Office | | (45,885.70) | 45,885.70 |
| Due to Regional Offices/ Staff Bureaus | 66,290.00 | 71,290.00 | (5,000.00) |
| Due to Other Funds | 36,094.38 | 150.00 | 35,944.38 |
| Other Payables | 81,677,008.91 | 77,728,051.26 | 3,948,957.65 |
| Total Current Liabilities | 233,744,732.33 | 301,749,097.00 | (68,004,364.67) |

Long Term Liabilities

| | | | |
|-----------------------------|---------------------|---|---------------------|
| Other Long Term Liabilities | 3,647,911.15 | - | 3,647,911.15 |
|-----------------------------|---------------------|---|---------------------|

Deferred Credits

| | | | |
|------------------------|---------------------|---------------------|--------------------|
| Other Deferred Credits | 9,723,296.56 | 9,745,184.80 | (21,888.24) |
|------------------------|---------------------|---------------------|--------------------|

Total Liabilities

| | | | |
|--|-----------------------|-----------------------|------------------------|
| | 247,115,940.04 | 311,494,281.80 | (64,378,341.76) |
|--|-----------------------|-----------------------|------------------------|

Equity

| | | | |
|-------------------|-----------------------|-----------------------|----------------------|
| Government Equity | 293,643,675.85 | 271,346,509.81 | 22,297,166.04 |
|-------------------|-----------------------|-----------------------|----------------------|

Total LIABILITIES & EQUITY

| | | | |
|--|------------------------|-----------------------|------------------------|
| | 540,759,615,.89 | 582,840,791.61 | (42,081,175.72) |
|--|------------------------|-----------------------|------------------------|

Detailed Statement of Income and Expenses

Detailed Statement of Income and Expenses GAA Funds Comparative 2003 & 2004

| | 2004 | 2003 | Increase (Decrease) |
|---|-----------------------|-----------------------|-------------------------|
| Income | | | |
| Subsidy Income from National Government-NCA | 253,249,174.82 | 427,376,739.76 | (174,127,564.94) |
| Subsidy Income from other National Government | <u>700,000.00</u> | | 700,000.00 |
| Total Subsidy Income | <u>253,949,174.82</u> | 427,376,739.76 | (173,427,564.94) |
| Less: | | | |
| Reversion of Unused NCA | 10,334,078.55 | 4,519,820.37 | 5,814,258.18 |
| Notice of Transfer of Allocation | 20,624,065.62 | | 20,624,065.62 |
| Seed Capital of HEDF | | 50,000,000.00 | (50,000,000.00) |
| Refund of Unexpended Cash Advance | <u>261,828.95</u> | <u>620,628.29</u> | (358,799.94) |
| | <u>31,219,973.12</u> | <u>55,140,449.26</u> | 23,920,476.14 |
| Net Subsidy Income | 222,729,201.70 | 372,236,290.50 | (149,507,088.80) |
| Add: Other Income | | | - |
| Income from Government Services | 358,650.00 | | 358,650.00 |
| Service Income | | 90,236.02 | (90,236.02) |
| Printing & Publication | | 41,450.00 | (41,450.00) |
| Interest Income | 5,763,469.73 | 14,812,425.13 | (9,048,955.40) |
| Miscellaneous Income | <u>334,000.00</u> | | 334,000.00 |
| | <u>6,456,199.73</u> | <u>14,944,111.15</u> | (8,487,991.42) |
| Total Income | 229,185,321.43 | 387,180,401.65 | (157,995,080.22) |
| Less Expenses: | | | |
| Personal Services | | | |
| Salaries and wages-Regular | 95,127,016.80 | 95,298,367.89 | (171,351.09) |
| Salaries and wages-Contractual | | 23,318.16 | (23,318.16) |
| Personnel Economic Relief Allowance (PERA) | 3,203,060.95 | 3,230,250.47 | (27,189.52) |
| Additional Compensation (ADCOM) | 3,202,835.92 | 3,517,029.14 | (314,193.22) |
| Representation Allowance (RA) | 3,097,350.00 | 3,072,220.75 | 25,129.25 |
| Transportation Allowance (TA) | 2,289,884.70 | 2,245,964.84 | 43,919.86 |
| Clothing/Uniform Allowance | 2,156,000.00 | 2,164,000.00 | (8,000.00) |
| Subsistence, Laundry & Quarterly Allowance | | 443,700.00 | (443,700.00) |
| Productivity Incentive Allowance | 1,044,000.00 | 585,000.00 | 459,000.00 |
| Other Bonuses and Allowances | 773,620.00 | 711,191.80 | 62,428.20 |
| Honoraria | 424,683.00 | | 424,683.00 |
| Hazard Pay | 144,198.23 | 78,106.99 | 66,091.24 |
| Longevity Pay | 145,773.01 | | 145,773.01 |
| Overtime and Night Pay | 857,683.01 | 1,762,400.41 | (904,717.40) |
| Cash Gift | 2,639,500.00 | 3,097,340.00 | (457,840.00) |
| Year-End Bonus | 7,825,983.50 | 7,873,268.50 | (47,285.00) |
| Life & Retirement Ins. Contributions | 11,211,051.24 | 11,253,212.27 | (42,161.03) |

| | 2004 | 2003 | Increase (Decrease) |
|------------------------------|-----------------------|-----------------------|--------------------------------|
| Pag-ibig Contributions | 621,102.04 | 638,362.53 | (17,260.49) |
| Philhealth Contributions | 906,987.54 | 743,179.00 | 163,808.54 |
| ECC Contributions | 632,917.97 | 352,773.48 | 280,144.49 |
| Retirement Benefits-Civilian | | 1,329,889.55 | (1,329,889.55) |
| Terminal Leave Benefits | 1,710,203.90 | 2,660,632.75 | (950,428.85) |
| Other Personnel Benefits | 11,399,844.26 | 8,927,623.12 | 2,412,211.14 |
| | 149,353,696.07 | 150,007,831.65 | (654,135.58) |

Maintenance & Other Operating Expenses

| | | | |
|---|---------------|---------------|--------------|
| Traveling Expense-Local | 9,688,324.69 | 3,636,722.53 | 6,051,602.16 |
| Traveling Expense-Foreign | 239,495.60 | 727,664.00 | (488,168.40) |
| Training Expenses | 924,311.85 | 1,254,508.81 | (330,196.96) |
| Scholarship Expense | - | 48,355.52 | (48,355.52) |
| Office Supplies Expense | 3,335,622.80 | 3,369,364.21 | (33,741.41) |
| Accountable Forms Expenses | 209,871.07 | 151,477.00 | 58,394.07 |
| Food Supplies Expense | 74,129.00 | | 74,129.00 |
| Drugs & Medicine Expenses | 8,355.35 | | 8,335.35 |
| Gasoline Oil & Lubricants Expenses | 1,297,755.49 | 1,391,017.17 | (93,261.68) |
| Textbook and Instructional Material Expense | 76,130.00 | | 76,130.00 |
| Other Supplies Expenses | 1,780,170.54 | 74,987.83 | 1,705,182.71 |
| Water Expenses | 405,448.67 | 354,623.56 | 50,825.11 |
| Electricity Expenses | 6,708,512.43 | 6,089,266.48 | 619,245.95 |
| Postage and Deliveries | 345,055.87 | 377,755.41 | (32,699.54) |
| Telephone Expense-Land line | 3,748,825.04 | 3,389,367.56 | 359,457.48 |
| Telephone Expense-Mobile | 1,641,795.62 | 1,195,515.36 | 446,280.26 |
| Internet Expenses | 557,562.25 | 253,815.17 | 303,747.08 |
| Cable, Satellite, Telegraph & Radio Expenses | 11,904.97 | | 11,904.97 |
| Membership Dues & Contribution to Organizations | 114,837.00 | 73,326.30 | 41,510.70 |
| Advertising Expenses | 31,246.13 | 38,983.20 | (7,737.07) |
| Awards and Indemnities | 1,276.92 | | 1,276.92 |
| Printing and Binding Expenses | 330,397.30 | 69,764.05 | 260,633.25 |
| Rent Expenses | 19,560,002.07 | 17,242,622.70 | 2,317,379.37 |
| Representation Expenses | 871,236.30 | 325,920.24 | 545,316.06 |
| Transportation & Delivery Expenses | 8,489.00 | 27,272.00 | (18,783.00) |
| Storage Expenses | 475.00 | | 475.00 |
| Subscription Expenses | 204,515.34 | 238,379.82 | (33,864.48) |
| Rewards and Other Claims | | 180,000.00 | (180,000.00) |
| Legal Services | 217,000.00 | 252,000.00 | (35,000.00) |
| Auditing Services | 153,685.22 | 178,998.68 | (25,313.46) |
| Consultancy Services | 60,000.00 | 236,800.00 | (176,800.00) |
| General Services | 128,202.65 | 606,646.90 | (478,444.25) |
| Janitorial Services | 474,336.35 | 236,814.45 | 237,521.90 |
| Security Services | 927,229.68 | 1,870,411.51 | (943,181.83) |
| Other Professional Services | 298,817.14 | 15,000.00 | 283,817.14 |
| Repairs & Maintenance- Office Building | 416.00 | 4,070.97 | (3,654.97) |
| Repairs & Maint. - Office Equipment | 289,326.96 | 315,125.48 | (25,798.52) |
| Repairs & Maint. - Furniture and Fixture | 31,200.00 | 6,625.00 | 24,575.00 |

| | 2004 | 2003 | Increase (Decrease) |
|--|---------------------------|---------------------------|-----------------------------|
| Repairs & Maint. - IT Equipment & Software | 46,820.10 | 45,930.58 | 889.52 |
| Repairs & Maint-Communication Equipment | 1,825.00 | | 1,825.00 |
| Repairs & Maintenance-Motor Vehicle | 894,571.26 | 1,420,190.97 | (525,538.71) |
| Repairs & Maintenance-Other PPE | | 5,961.50 | (5,961.50) |
| Donations | | 27,660,897.81 | (27,660,897.81) |
| Extraordinary Expense | 1,690,862.99 | 1,855,730.78 | (164,867.79) |
| Miscellaneous Expense | 414,206.71 | 96,527.48 | 317,679.23 |
| Taxes, Duties and Licenses | 35,821.50 | 39,132.95 | (3,311.45) |
| Fidelity Bond Premium | 189,725.79 | 236,919.09 | (47,193.30) |
| Insurance Expenses | 452,234.90 | 273,873.52 | 178,361.38 |
| Bad Debts Expense | 979,338.08 | | 979,338.08 |
| Depreciation Expense-Office Building | | 99,813.45 | (99,813.45) |
| Depreciation Expense- Leasehold Improvements | 629.88 | 629.88 | - |
| Depreciation- Office Equipment | 124,932.49 | 344,351.35 | (219,418.86) |
| Depreciation-Furniture and Fixtures | 398,201.35 | 440,670.75 | (42,469.40) |
| Depreciation-IT Equipment and Software | 218,066.41 | 560,231.13 | (342,164.72) |
| Depreciation-Library Books | 8,032.55 | 6,521.47 | 1,511.08 |
| Depreciation- Communication Equipment | 91,954.76 | 85,655.94 | 6,298.82 |
| Depreciation-Fire Fighting Equipment | 758.55 | | 758.55 |
| Depreciation-Medical, Dental & Lab Equipment | 1,620.00 | 1,134.00 | 486.00 |
| Depreciation-Other Machineries & Equipment | 3,578.40 | 61,922.61 | (58,344.21) |
| Depreciation- Motor Vehicles | 356,070.69 | 645,043.73 | (288,973.40) |
| Depreciation-Other Property, Plant & Equipment | 1,669.57 | 233,047.50 | (231,377.93) |
| Other Maintenance & Operating Expenses | 7,422,021.21 | 2,481,215.41 | 4,940,805.80 |
| Total Maintenance & Operating Expenses | 68,088,882.49 | 80,828,522.81 | (12,739,640.32) |
| Total Operating Expenses | 217,442,578.56 | 230,836,354.46 | (13,393,775.90) |
| Net Operating Income | 11,742,742.87 | 156,344,047.19 | (144,601,304.32) |
| Financial Expenses | | | |
| Bank Charges | 920.00 | 3,135.00 | (2,215.00) |
| Other Financial Charges | 176.62 | | 176.26 |
| Total Financial Expenses | 1,096.26 | 3,135.00 | (2,038.74) |
| Excess Of Income Over Expense | 11,741,646.61 | 156,340,912.19 | (144,599,265.58) |

Cash Flow

**COMMISSION ON HIGHER EDUCATION
Statement of Cash Flows
GAA FUNDS
Comparative 2003 & 2004**

| | 2004 | 2003 | Increase (Decrease) |
|---|-----------------------|-----------------------|-------------------------|
| <i>Cash Flow from Operating Activities</i> | | | |
| Cash Inflows: | | | |
| Receipt of Notice of Cash Allocation (NCA) | 239,113,658.36 | 425,250,482.64 | (186,136,824.28) |
| Receipt of Inter-Agency Cash Transfers | 3,918,932.02 | 23,795,917.71 | (19,876,985.69) |
| Receipt of Transferred of Funds | 3,106,000.00 | | 3,106,000.00 |
| Receipt of Funding Checks from Other NGAs | 700,000.00 | | 700,000.00 |
| Cash from Unreleased Checks | 3,405,317.01 | 5,716,937.96 | (2,311,620.95) |
| Receipt of Cash thru Notice of Transfer Of Allocation | 38,836,097.13 | 59,817,183.15 | (20,981,086.02) |
| Collection of Income/Revenues | 2,968,978.97 | 2,087,089.96 | 881,889.01 |
| Receipt of refund of cash advance & overpayment of expenses | 1,326,979.18 | 1,315,897.95 | 11,081.23 |
| Refund of Scholarship | 20,000.00 | 133,812,106.79 | (133,792,106.79) |
| Cancelled/Staled Checks | 191,865.29 | 5,372,889.18 | (5,181,023.89) |
| Collection of Disallowances | | 256,235.36 | (256,235.36) |
| Collection of Receivables | 244,500.00 | 28,237,863.48 | (27,993,363.48) |
| Refund of SNLP | | 1,700.00 | (1,700.00) |
| Cash Receipts Held in Trust | 9,910.00 | | 9,910.00 |
| Cash Receipts of Donation | 80,625.00 | 31,814,643.60 | (31,734,018.60) |
| Interest Income from Bank Account (Net of Tax) | 206,152.21 | | 206,152.21 |
| Receipt of Extra Remuneration from GSIS | 3,449.02 | | 3,449.02 |
| Collection of Refund & Inter-Agency Receipts-Trust | 1,322,296.32 | 326,261.20 | 996,035.12 |
| Prior Years' Adjustments | 1,686,568.46 | | 1,686,568.46 |
| Total Cash Inflows | 297,141,328.97 | 717,805,208.98 | (420,663,880.01) |
| Cash Outflows | | | |
| Cash payment of operating expenses | 145,363,985.86 | 192,298,753.86 | (46,934,768.00) |
| Payments of Other Payables | 1,721,373.82 | 1,172,274.56 | 549,099.26 |
| Cash payment for operating expenses-Trust | 754,362.06 | 776,037.18 | (21,675.12) |
| Release of funds as inter-agency cash transfers | 4,579,902.68 | 49,763,896.46 | (45,183,993.78) |
| Notice of Transfer of Allocation | 20,624,065.62 | 161,928,177.63 | (144,304,112.01) |
| Transfer to DBP-Seed Capital of HEDF | | 50,000,000.00 | (50,000,000.00) |
| Remittance to the National Treasury | 23,160,328.72 | 236,365,118.21 | (213,204,789.49) |
| Remittance to GSIS/Pag-ibig/Philhealth Payables | 27,364,316.88 | 26,494,232.69 | 870,048.19 |
| Granting of Cash advance to Office and employees | 38,817,927.88 | 72,271,603.79 | (33,453,675.91) |

COMMISSION ON HIGHER EDUCATION
Statement of Cash Flows
GAA Funds
Comparative 2003 & 2004

| | 2004 | 2003 | Increase (Decrease) |
|--|-----------------------|-------------------------|-------------------------|
| Cash payment of terminal leaves | 740,962.29 | 1,082,981.85 | (342,019.56) |
| Remittance of withholding taxes except thru TRA | 22,430.18 | 1,148,749.98 | (1,126,319.80) |
| Cash Payment for accounts payable incurred in operation | 25,027,140.86 | 151,385,351.78 | (126,358,210.92) |
| Release of funds for Donations (Scholarship) | 13,614,121.25 | 19,857,732.32 | (6,243,611.07) |
| Payment of COLA | | 178,007.20 | (178,007.20) |
| Release of Funds to NGAs as loans | 9,787,000.00 | | 9,787,000.00 |
| Release of Funds to NGOs/POs as loans | 8,890,500.00 | | 8,890,500.00 |
| Cash purchase of inventories | 498,804.16 | 357,043.18 | 141,760.98 |
| Prepayments/Advances to Suppliers | 554,056.76 | 591,503.42 | (37,446.66) |
| Reversion of Unreleased Checks | 3,226,789.42 | | 3,226,789.42 |
| Replacement of staled checks | 70,000.00 | | 70,000.00 |
| Liquidation of Prior Year's Cash Advances | 102,969.75 | | 102,969.75 |
| Reversion of Unused NCA | 14,107,277.56 | 1,531,366.60 | 12,575,940.96 |
| Prior Year's Adjustments | 883,683.34 | | 883,683.34 |
| Total Cash Outflows | <u>339,911,999.09</u> | <u>967,202,800.71</u> | <u>(627,290,801.62)</u> |
| Cash Provided by Operating Activities | <u>42,770,670.12</u> | <u>(249,397,591.73)</u> | <u>206,626,921.61</u> |

Cash Flows from investing Activities

Cash Inflows

Cash Outflows

Purchase of property, plant & Equipment

Cash Provided by Investment Activities

| | | |
|---------------------|---------------------|-------------------|
| 388,524.24 | 570,708.31 | (182,184.07) |
| <u>(388,524.24)</u> | <u>(570,708.31)</u> | <u>182,184.07</u> |

Total Cash Provided by Operating and Investing

Add: Cash Balance, Beginning

Cash Balance, End

| | | |
|------------------------------|------------------------------|-------------------------------|
| (43,159,194.36) | (249,968,300.04) | 206,809,105.68 |
| <u>167,404,676.27</u> | <u>417,372,976.31</u> | <u>(249,968,300.04)</u> |
| <u>124,245,481.91</u> | <u>167,404,676.27</u> | <u>(43,159,194.36)</u> |

Statement of Government Equity
GAA Funds
Comparative 2003 & 2004

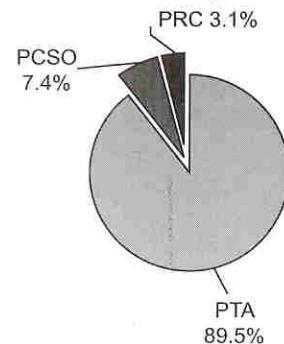
| | 2004 | 2003 | Increase (Decrease) |
|----------------------------------|-----------------------|-----------------------|------------------------|
| Government Equity | | | |
| Government Equity, Beginning | 271,346,509.81 | 18,958,510.68 | 252,387,999.13 |
| Add/Less Net Income Over Expense | 11,741,646.61 | 156,340,912.19 | (144,599,265.58) |
| Prior Year's Adjustments | 10,555,519.43 | 96,047,086.94 | (85,491,567.51) |
| Total GOVERNMENT EQUITY | 293,643,675.85 | 271,346,509.81 | 22,297,166.04 |

HEDF Brief Financial Information

Total Revenue Collections from Mandatory Contributors to the Higher Education Development Fund or the Fund in 2004 – P814M

Percentage of Contributions by Sources:

89.5% - Philippine Tourism Authority (30% of travel taxes)
7.4% - Philippine Charity Sweepstakes Office (1vv% of lotto sales)
3.1% - Professional Regulation Commission (40% of professional registration fees)



SUMMARY OF FUND CONTRIBUTIONS

| GOVERNMENT AGENCY | CONTRIBUTIONS ('000) |
|--|----------------------|
| Philippine Tourism Authority | Php728,629 |
| Philippine Charity Sweepstakes Office | 60,000 |
| Professional Regulation Commission | 25,094 |
| TOTAL | Php813,723 |
| Balance with the Bureau of Treasury - P2.9M (as December 31, 2004) | |
| Total Mandatory Contributions as of 2004 | Php6,110,095 |
| Less: Direct Remittances to CHED | Php1,100,924 |
| SARO Releases (2000-2004) | 2,073,284 |
| Balance of Fund with the Bureau of Treasury | 3,174,208 |
| | Php2,935,887 |

SUMMARY OF FUND UTILIZATION ON PROGRAMS AND PROJECTS FUNDED THROUGH HEDF in 2004

IN ('000s)

| | |
|--|-----------------|
| A. INSTITUTIONAL DEVELOPMENT (2004) | P119,941 |
| 1. Centers for Excellence and/or Development | 55,328 |
| a. Teacher Education | 69 |
| b. Science and Math Education | 9,200 |

| | | |
|-----|---|--------|
| c. | Business Management Education | 8,482 |
| d. | Nursing Education | 7,200 |
| e. | Medicine Education | 1,800 |
| f. | Humanities, Social Sciences and Communication Education | 8,000 |
| g. | Engineering and Architecture Education | 5,577 |
| h. | Information Technology Education | 500 |
| i. | Agriculture Education | 14,500 |
| 2. | CCHEDLINK | 4,296 |
| 3. | CHED HRD Program | 2,961 |
| 4. | Internationalization of Higher Education | 1,793 |
| 5. | Curriculum Initiative for Teacher Education (CITE) | 7,448 |
| 6. | SUCs and LCUs Concerns | 629 |
| 7. | Asian Development Bank Technical Assistance (ADTA) | 4,817 |
| 8. | Pre-Baccalaureate Program | 698 |
| 9. | Legislative Agenda Implementation | 321 |
| 10. | International Conference on Access | 2,260 |
| 11. | Higher Education Development Program (HEDP) | 23,159 |
| a. | Strengthening HE Institution Management | 142 |
| b. | Dev't. of Higher Education MIS (HEMIS) | 1,120 |
| c. | Rationalize the SUC System | 1,718 |
| d. | Improvement of HEDF Service Delivery | 6 |
| e. | Institutionalize a ME System with CHED | 1,400 |
| f. | Establishment of HEDC | 1,872 |
| g. | Upgrade Accreditation Systems | 179 |
| h. | HEDP Operational Expenses | 1,903 |
| i. | Faculty and Management Development | 14,189 |
| 12. | Codification | 227 |
| 13. | Evaluation of Graduate Education in the Phils. (EGEP) | 4,000 |
| 14. | CHED International Promo and Advocacy Projects | 6 |
| 15. | Development Projects for SUCs | 12,000 |

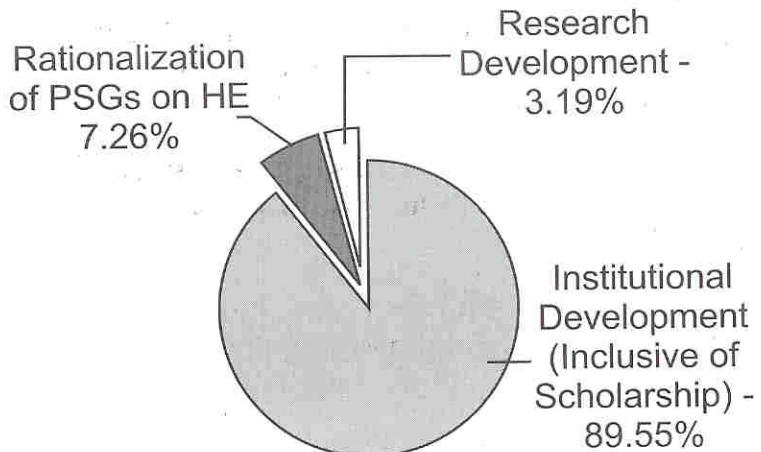
B. RATIONALIZATION OF PROGRAMS, STANDARDS AND GUIDELINES FOR HIGHER EDUCATION

| | | |
|----|---|--------|
| 1. | Technical Panel Operations | 47,312 |
| 2. | Monitoring & Evaluation Expenses | 19,124 |
| 3. | Rationalization of Higher Education | 616 |
| 4. | ETEEAP | 911 |
| 5. | OPS-QSS | 70 |
| 6. | Regional Quality Assessment Team (RQAT) | 4,969 |
| 7. | Internal Audit | 476 |

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|---|-----------------|
| C. RESEARCH DEVELOPMENT | P23,600 |
| 1. National Higher Education Research Agenda | 20,946 |
| 2. Medium-Term Higher Education Dev't. Plan | 1,240 |
| 3. Graduate Tracer Study | 549 |
| 4. Policies, Standards & Guidelines on Student Affairs | 253 |
| 5. Nat'l. Coordinating Council for Education (NCCE) | 137 |
| 6. Integrated Research Utilization Program (IRUP) | 384 |
| 7. Visiting Research Fellowship | 91 |
| D. SCHOLARSHIP | P541,813 |
| 1. OPAPP-CHED Study Grant for Rebel Returnees | 4,602 |
| 2. Private Education Student Financial Assistance Program | 133,279 |
| 3. CHED-DND-NPUD Study Grant Program for MNLF Officer-Integrees | 1,450 |
| 4. CHED Special Study Grant for Congressional Districts | 21,657 |
| 5. State Scholarship Program (SSP) | 28,204 |
| 6. Study-Now-Pay-Later Program (SNPLP) | 16,479 |
| 7. Selected Ethnic Group Educ'l. Assistance Program (SEGEAP) | 20,891 |
| 8. CHED Scholarship Prog. For Bright Mindanaoan | 1,926 |
| 9. Nat'l. Integration Study Grant Program (NISGP) | 13,326 |
| 10. Student Financial Assistance Program (STUFAP) | 300,000 |

SUMMARY OF FUND APPLICATIONS (2004 in P'000)

- 89.55% - Institutional Capacity Building (inclusive of Scholarship)
- 7.26% - Rationalization of Programs, Standards and Guidelines for Higher Education
- 3.19% - Research Development



CHED Officials

Central Office

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Bro. Rolando R. Dizon, FSC
(January – June 2004)

Fr. Rolando V. dela Rosa, O.P.
(June – December 2004)

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Dr. Carlito S. Puno
Dr. Saturnino M. Ocampo, Jr.
Dr. Hadja Luningning Misuarez-Umar

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Executive Director IV
Atty. Julito D. Vitriolo, Deputy Director

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Ms. Regina B. Fortes, Director III
Ms. Luisa S. Valencia, Director II

Office of Policy, Planning, Research and Information

Dr. Jean C. Tayag, Director IV
Mr. Romeo A. Isaac, Director III

Office of Programs and Standard

Dr. Catherine Q. Castañeda, Director I
Dr. Heracleo D. Lagrada, Director III

Office of Student Services

Dr. Ethel Agnes P. Valenzuela,
Director IV
Dr. Freddie T. Bernal, Director III

Internal Audit Office

Ms. Paula G. Mejia, Officer-In-Charge

Higher Education Development Fund

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CHED Legal Service

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Dr. Imelda T. Daraug*
*Detailed at the Central Office

CHEDRO IV-A

Dr. Isabel F. Inlayo

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Dr. Joseph D. Delos Santos

CHEDRO V

Dr. Dominador P. Peralta, Jr.

CHEDRO VI

Dr. Isabela L. Mahler

CHEDRO VII

Dr. Enrique P. Grecia

CHEDRO VIII

Dr. Maria Rita C. Ortiz

CHEDRO IX

Dr. Emmylou B. Yanga

CHEDRO X

Dr. Eloisa W. Paderanga

CHEDRO XI

Dr. Reynaldo T. Peña

CHEDRO XII

Dr. Carmen V. Dormitorio

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Dr. Amelia A. Biglete

CHEDRO CAR

Dr. Magdalena C. Jasmin

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